



CITY OF SNOHOMISH

Founded 1859, Incorporated 1890

116 UNION AVENUE □ SNOHOMISH, WASHINGTON 98290 □ TEL (360) 568-3115 FAX (360) 568-1375

NOTICE OF REGULAR MEETING

SNOHOMISH CITY COUNCIL

in the
George Gilbertson Boardroom
1601 Avenue D

TUESDAY
October 18, 2016
7:00 p.m.

AGENDA

*Estimated
time*

- 7:00 1. **CALL TO ORDER**
- a. Pledge of Allegiance
 - b. Roll Call
2. **APPROVE AGENDA** contents and order
3. **APPROVE MINUTES** of the meeting of September 20, 2016
- a. Workshop (*P.1*)
 - b. Regular Meeting (*P.5*)
- 7:05 4. **CITIZEN COMMENTS** - *Three minutes allowed for citizen comments on subjects not on the agenda. Three minutes will be allowed for citizen comments during each Public Hearing, Action or Discussion Agenda Item immediately following council questions and before council deliberation. Citizen comments are not allowed under New Business or Consent items.*
- 7:15 5. **PRESENTATION** – Voluntary Gun Disposal Program (*P.23*)
6. **PUBLIC HEARINGS**
- 7:25 a. Revenue Sources (*P.25*)
- 1) Staff presentation
 - 2) Council's questions of staff
 - 3) Citizens' comments
 - 4) Close citizens' comments
 - 5) Council deliberation and action

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- 7:40 b. **SET** Water/wastewater Rates for 2017-2019 (*P.31*)
- 1) Staff presentation
- 2) Council's questions of staff
- 3) Citizens' comments
- 4) Close citizens' comments
- 5) Council deliberation and action – **PASS** Resolution 1348
7. **ACTION ITEMS**
- 8:00 a. **AUTHORIZE** City Manager to Sign Contract with Philips Publishing for Quarterly City Magazine (*P.41*)
- 8:10 b. **AUTHORIZE** City Manager to Sign Small Cell Technology Legal Consortium Agreement (*P.59*)
- 8:35 c. Establish an Application Fee for Right-of-Way Master Use Agreements – **PASS** Resolution 1353 (*P.71*)
- 8:45 8. **DISCUSSION ITEM – REVIEW** Proposed Solid Waste Contract (*P.75*)
- 9:00 9. **CONSENT ITEMS**
- a. **AUTHORIZE** payment of claim warrants #59453 through #59622 in the amount of \$1,116,971.20 , and payroll checks 15102 through 15128 in the amount of \$442,034.88 issued since the last regular meeting (*P.163*)
- b. **ACCEPT** WWTP ATS Replacement Project Closeout (*P.183*)
- c. **APPROVE** the Lodging Tax Advisory Committee's Grant Funding Recommendations for 2017 (*P.185*)
- 9:05 10. **OTHER BUSINESS/INFORMATION ITEMS**
- 9:15 11. **COUNCILMEMBER COMMENTS/LIAISON REPORTS**
- 9:25 12. **MANAGER'S COMMENTS**
- 9:35 13. **MAYOR'S COMMENTS**
- 9:45 14. **ADJOURN**

NEXT MEETING: Tuesday, November 1, 2016, regular meeting at 7 p.m., in the George Gilbertson Boardroom, Snohomish School District Resource Center, 1601 Avenue D.

The City Council Chambers are ADA accessible. Specialized accommodations will be provided with 5 days advanced notice. Contact the City Clerk's Office at 360-568-3115. This organization is an Equal Opportunity Provider.

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Snohomish City Council Workshop Minutes September 20, 2016

1. **CALL TO ORDER:** Mayor Guzak called the Snohomish City Council workshop to order at 6:05 p.m., Tuesday, September 20, 2016, in the Snohomish School District Resource Service Center, George Gilbertson Boardroom, 1601 Avenue D, Snohomish, Washington

COUNCILMEMBERS PRESENT

Derrick Burke
Karen Guzak, Mayor
Dean Randall
Tom Hamilton
Michael Rohrscheib
Lynn Schilaty
Zach Wilde

STAFF PRESENT

Larry Bauman, City Manager
Jennifer Olson, Finance Director
Steve Schuller, Deputy City Manager/PW Director
Pat Adams, Human Resources Manager/City Clerk

2. **DISCUSSION – Utility Rate Structure.** Ms. Olson stated the purpose of the workshop is for City Council to discuss the current water, wastewater and storm water rates. She anticipated some discussion will revolve around the wastewater rate structure. Water and wastewater rates contain a base rate, which includes 4 units of consumption and a volume rate for every unit of consumption used over 4 units. Storm water rates are based on Equivalent Residential Unit (ERU) or Impervious Surface Unit (ISU). She explained the workshop should be interactive with a hands-on review of wastewater rates and unit consumption scenarios, with the expectation that the City Council will provide staff with policy direction on the future rate structure and the setting of rates for 2017 through 2019.

Ms. Olson explained the City supplies water to customers and calculates consumption through water meters with readings taken bi-monthly. Wastewater charges are based on water usage with the exception of summer months when wastewater charges are based on winter use - typically known as the winter average. Storm water units are based on property size and the amount of impervious surface that affects storm water runoff. Consolidated bill statements are generated for two-months of household consumption and includes charges for water, wastewater, storm water, garbage, recycling and yard waste.

Historically, utility rates have been set in three-year cycles typically after a rate study has been conducted to analyze the sufficiency of revenues to meet operating expenses, operating reserve requirements, debt service obligations and the capital infrastructure costs associated with City water, wastewater and storm water systems. For 2014-2016 rate setting, the City contracted with FCS for an analysis of water, wastewater and storm water rates for the current 3-year period.

Water Rates

For the 2017-2019 water rate setting, rates were analyzed by the FCS Group as part of the study to determine feasibility of closing the water treatment facility and purchasing all of the City's water from the City of Everett. Water rates were recommended by the consultant to increase 2.25% each of the three years for all meter sizes.

Storm Water Rates

For the 2017-2019 storm water rate setting, staff prepared a cash flow analysis to determine the level of annual revenues necessary to ensure that future resources are available for storm water capital investments as well as sufficient funds for operations and maintenance. Based on the proposed five-year 2017-2019 CIP, along with an additional five-year capital

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infrastructure outlook on storm water system needs, storm water rates are recommended to increase 2.0% each year.

Council discussed the water and stormwater rates and directed staff to bring back increases of 2.25% for water and 2% for storm water.

Wastewater Rates

In October 2015, as part of the 2016 budget development process, staff provided an overview of the Utility Enterprise Funds and their financial condition and discussed with the City Council the potential for paying off certain utility debt obligations. A wastewater fund cash flow analysis was conducted in-house, taking into account future rate generated revenues, connection charges based on existing developments, operational cost inflation, revised future capital projects and fund reserves. The USDA wastewater bond was paid off in November 2015.

In March 2016, the City Council conducted a workshop on the current state of the wastewater treatment facility and collection system. For many years, the City was under an agreed order with the Department of Ecology to update and improve the City's wastewater system or risk being required to convey all wastewater to the City of Everett at a significant cost to City wastewater customers. The City made significant improvements to the system and is no longer under this order. However, wastewater capital infrastructure is always in need of system improvements, and a ten-year capital investment plan was updated to ensure that the City stays compliant with all regulatory agencies.

With the updated wastewater system capital projects, staff updated the October 2015 cash flow analysis and debt review to determine the level of annual revenues necessary to ensure that future resources are available for capital investments as well as sufficient funds for operations, maintenance and debt service coverage. The City Council reviewed the current state of the wastewater treatment system and future capital infrastructure improvement needs and directed staff to prepare a wastewater rate resolution that reduced wastewater rates by 10% across the board. A draft resolution and staff report was prepared for the August 16th City Council agenda, but was cancelled due to a request to review historical wastewater rate increases and a proposal to modify the rate structure to restore past wastewater rate increases that negatively affected lower consumption water and wastewater consumers.

Ms. Olson discussed the historical changes to number of units used. She discussed 4 units, which is the current base charge up to 30 units. She noted the average wastewater charges are in the 13 units range. There are some customers in the 20-30 units range, which are some larger families. The biggest change was in 2007 and 2008 when the base units changed to 4 and the base charge was \$72.30, which increased to \$100.14. For an 8 unit consumer, that change resulted in a 39% increase. The increase to a 4 units customer and a 5 units customer went incrementally down, so it was not an increase that was equitable across the board. The average 13 units customer had a 27% increase in their sewer bill versus the 8 units customer who had a 39% increase. This was part of Councilmember Hamilton's concerns about the inequity within the rate structure.

Ms. Olson reviewed the overall increase and decrease from 2005 to 2016 for the 8 units customer resulting in a 95% increase in wastewater charges. From 2007 to 2016, the overall change for an 8 units customer was 126% overall. 4 and 5 units customers had a 94% overall increase, and the average 13 units user had 113% increase in sewer rates.

The Council discussed changes to the wastewater rates for the upcoming three year period.

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Ms. Olson stated the first proposal was a 10% across the board change, with a 10% reduction and a 10% reduction in the volume charge. She explained the current base rate of \$139.98 would change to \$125.98, and the volume charge would be reduced from \$590 to \$531. The 10% equally decreases for all consumers at different levels of consumption. Overall, over the three year period with the flat change, it would stay consistent.

When the cash flow and debt review was completed and determined what was needed for the capital investments over time, we know we need about \$4.2 million for the ten year period of time in sewer revenues. The 10% reduction provides for an estimated \$4.2 million each year. With that reduction, it would be approximately \$477,000 reduction in total revenues.

There was a proposal to reduce the base rate to \$105.28, and increase the overage charge to \$7.55 per unit. This impacts more positively the 4, 5 and 8 units customers. There is a 25% decrease for the 4 units customers. The average customer will see a 10% decrease. There are some issues that come up with different users. There would be a 3% increase in wastewater charges for 30 units customers. Over time with this change to the 5/8" meter, the customer would see a three year total dollar reduction of over \$600. The average customer would see approximately \$350 reduction in their bill. There is a question of whether the City changes the base rate and the volume charge for larger meters. Primarily, the City's customers are 5/8" meter customers. When the same change is made to the base rate with a reduction and an increase in the volume charge, those customers with the larger meters also receive a reduction. For example, a 1" meter customer would see about a \$1,500 reduction over the three year period or 24.79% decrease.

There is a question on whether keep the base rate low for the lower consumption users and increase the volume charge, which will result in customers who use more being impacted.

Councilmember Randall asked about higher volume customers. He assumed those would be the nursing homes and inquired as to their volume of usage.

Councilmember Hamilton responded Delta Rehabilitation Center is the City's largest user at 1200 units. Nobody else is even close to that. They have 900,000 gallons of water usage per billing cycle. There are a few that are using 4 or 500 units in a billing period. Delta has a 6" meter. He would not want their rates to reflect some astronomical change. Going forward, Council may want to consider 5/8" meter customers who are households in a separate category to address any inequity and a straight across the board 10% decrease for everybody else or the larger meter customers. Customers below 8 units have very little impact.

Councilmember Schilaty asked if Delta has more residents than the other nursing homes.

Mr. Bauman responded they do have a large number of clients. Their treatments also involve a lot of water use. Irrigation is a part of it too.

Councilmember Hamilton doesn't want to complicate this by having a split rate, but it seems to make more sense.

Ms. Olson discussed the scenario of a 25% decrease in the base and a 28% increase in the per unit. If the base is lower at 30% and the volume charge is 20%, it positively impacts with a reduction for those larger consumers with the 5/8" meter. The base charge would be \$98.00.

Councilmember Hamilton noted that the 30 units customers have been getting a real break over the last nine years.

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Councilmember Burke asked if the 25% decrease and 28% increase in the per unit would provide an incentive to conserve or change behavior?

Councilmember Hamilton has seen that happen. However, he noted in 2008, there was a significant increase of 24%, and you would expect a big change. Most of the users have not been able to demonstrate a significant ability to cut their usage. That is a risk and consideration.

Councilmember Schilaty stated some people have reacted, but it's not showing up in the analysis.

Councilmember Hamilton noted the winter/summer average is recognized in the wastewater rates.

Mayor Guzak supports the idea of equity.

Council discussed the changes, which were summarized as a 25% decrease in the base from \$139.98 to \$105.28, and the per unit or volume overage at \$7.55 per unit, with the 28% increase in the volume part of the wastewater rate.

Council agreed this would be an equitable solution.

Councilmember Wilde asked how this would impact customers using 25 or 30 units. How far would they have to reduce their usage to experience a 0% increase.

Ms. Olson stated they would have reduce their wastewater by 5 units to get to zero. Zero is 25 units. 30 units is a 2.8% increase, or a three year period of \$148.00. There is also the winter/summer average and leak adjustments.

Ms. Olson reiterated that utility rates to be brought back to the City Council as a proposed Resolution would be a 2.25% increase in the water rates, both base and volume, a decrease in the wastewater rates in the base of 25% and an increase in the overage or volume charge of 28%. For storm water rates, there is a proposed increase of 2% for a three-year period.

3. ADJOURN at 6:45 p.m.

APPROVED this 18th day of October, 2016

CITY OF SNOHOMISH

ATTEST:

Karen Guzak, Mayor

Pat Adams, City Clerk

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Snohomish City Council Meeting Minutes September 20, 2016

1. **CALL TO ORDER:** Mayor Guzak called the Snohomish City Council meeting to order at 7:00 p.m., Tuesday, September 20, 2016, in the Snohomish School District Resource Service Center, George Gilbertson Boardroom, 1601 Avenue D, Snohomish, Washington.

COUNCILMEMBERS PRESENT

Derrick Burke
Karen Guzak, Mayor
Tom Hamilton
Dean Randall
Michael Rohrscheib
Lynn Schilaty
Zach Wilde

STAFF PRESENT

Grant Weed, City Attorney
Jennifer Olson, Finance Director
Steve Schuller, Deputy City Manager/PW Director
Glen Pickus, Planning Director
Yosh Monzaki, City Engineer
Denise Johns, Project Manager
John Flood, Police Chief
Pat Adams, City Clerk

2. **APPROVE AGENDA** contents and order.

Mayor Guzak requested Agenda Item 5., Presentation of Proclamation, be moved to Action Item 6a.

MOTION by Schilaty, second by Rohrscheib, to approve the amended agenda. The motion passed unanimously (7-0).

3. **APPROVE MINUTES** of the August 23, 2016 budget workshop and the September 6, 2016 regular meeting.

MOTION by Schilaty, second by Randall, to approve the minutes of the budget workshop and regular meeting. The motion passed unanimously (7-0).

4. **CITIZEN COMMENTS** on items not on the Agenda

Mayor Guzak welcomed the citizens to the meeting and discussed the procedures for providing comments.

Morgan Davis, 206 Avenue I, wished to address the water and sewer rates discussed at the earlier workshop. He said he arrived at the end of the discussion, and believed he heard Councilmember Hamilton's suggestion was approved. He has a lot of questions about it. Mr. Davis stated for years and years, the base rate was 8 units for 5/8" meter with average consumption at about 14. After Councilmember Hamilton was elected to the Council, the base rate was cut in half from 8 units to 4 units except for senior homeowners with a discount. Their base rate is still 8 units. He believed their aggregate discount for the City is costing the rest of the rate payers over \$100,000 per year. The City's discount is only to single-family homeowners. Apartment dwellers – even the very low income – don't get a break. Former Councilmember Kaftanski said it was a gross inequity. The Council is not addressing that problem. He wished when the Council sets the public hearing, this is taken into account to make some kind of an allowance for this. He doesn't know why a single, low income person on social security with a \$300,000 to \$500,000 home, living alone has to be able to use twice the consumption of water that a family has. He thinks it's a gross inequity the way the system is set up. Mr. Davis said it was unclear in speaking with Councilmember

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Hamilton on his apartment dwellers - some of which are on social security, that they may be losers in the new rate structure.

He hopes the Council keeps the detailed minutes so that when the Council has its hearing, he can refer in hard copy or digital format to the discussion the Council had. He hopes there are examples showing losers and winners. He believes Councilmember Hamilton said there will be losers and winners with this idea he had tonight that apparently has been approved by the Council already. He hopes there are detailed minutes on that and they show different examples with different consumption - with apartment houses, single family homes, and others. It needs to be publicized more. He knows there is a one shot 10% break on sewer rates, but he believes water rates are being increased. He requested better examples, not just the 5/8" meter, but the 1½" meter where most of the apartments are in town. Think of the low income apartment dwellers, they are not getting a break.

Ginger Hamel, 408 Union, stated she is concerned about the City's budget, and it needs to get its projections straightened out for the future. She asked how the City is set up to handle that. Why is the City expanding when it's already on the fence with the budget? She asked if the City is prepared for an earthquake, as there are no hospitals in the immediate area. She is also concerned about crosswalk safety.

Citizen comments – closed

6. ACTION ITEMS:

- a. **APPROVE** Proclamation Designating the Month of October 2016, as John S. White Month

MOTION by Rohrscheib, second by Schilaty to **APPROVE** the Proclamation Designating the Month of October 2016, as John S. White Month. The motion passed unanimously (7-0).

- b. **ADOPT** 2017 TO 2021 Capital Improvement Plan (CIP)

Ms. Olson explained, as per the City's Capital Budgeting Policy, the Council will review and consider staff recommended capital projects as part of the budget development process. During the August 23, 2016 Council Budget Workshop, a preliminary Capital Improvement Plan was presented to and discussed by the City Council. Key projects included:

- Carnegie Building improvements to allow the facility to be used as City Council Chambers and for other board and commission meetings.
- Master planning and design work for the future of the Hal Moe site property.
- Pedestrian network improvements to repair sidewalks, improve school crossings and other crosswalks throughout the community.
- CSO separation projects that will continue to separate sewer pipes from storm water pipes.
- Pavement overlay projects on Bickford Avenue, Lincoln Avenue, First Street and Fourth Street. Overlay projects are funded from the voter approved Transportation Benefit District sales tax initiative.

The five-year capital budget for the 2017-2021 Capital Improvement Plan is \$21,775,442.

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The proposed 2017 capital projects will be incorporated as capital expenditures and funding source line items within the 2017 Proposed Operating Budgets currently under development.

Councilmember Randall noticed in reference to the street projects, the City has some major thoroughfares like Bickford Avenue. He wants to know if the City will be obtaining some matching funds with the TBD dollars.

Ms. Olson responded the Bickford Avenue and Weaver Way project is a multi-year project starting in 2017. The major funding source for this project is estimated to include TIB grant dollars. Other sources would include Traffic Impact Fees.

Citizen comments - none
Citizen comments – closed

MOTION by Burke, second by Rohrscheib, that the City Council **ADOPT** the proposed Capital Improvement Plan for 2017-2021, and **DIRECT** staff to include 2017 Capital Projects in the 2017 Operating Budgets. The motion passed unanimously (7-0)

c. **DRAFT** 2017 City Council Annual Goals

Mr. Bauman stated the City Council has produced a tentative set of new goals for 2017, which were derived from the discussions Council had at the August 23 budget and planning workshop. The Council chose several new goal statements, as well as continuing some goals statements that were not completed for 2016. The proposed new and revised goals have been provided to Council for review and revisions prior to placement on the City's website and other publications, including the 2017 Recommended Budget.

Citizen comments - none
Citizen comments – closed

MOTION by Randall, second by Wilde, that the City Council **ADOPT** the City Council Annual Goals for 2017. The motion passed unanimously (7-0).

d. **ADOPTION** of Resolution 1351 in opposition to Proposition 2 on the November 8, 2016 Ballot That Asks Voters to Decide: "Whether the City Should Adopt the Mayor/Council Form of Government and Abandon the Council/Manager Form of Government"

Mr. Bauman stated the City Attorney made a number of technical revisions to Resolution 1351, which is available to the Council and citizens. He explained the City Council directed staff to bring forward for citizen comment and Council consideration, a Resolution of opposition to Proposition 2 that is on the General Election ballot for 2016.

The ballot measure specifically asks voters to decide "whether the City should adopt the Mayor/Council form of government and abandon the current Council/Manager form of government" that is currently used as the form of governance for the City. The Council/Manager form of government has been in place in Snohomish since 1971. The attached Resolution 1351 would provide the City Council the opportunity to consider communicating its opposition to Proposition 2 and urging voters to disapprove this measure.

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Councilmember Hamilton referenced a recital in the resolution where it states the cost to the City if Proposition 2 were to be adopted to the voters and it could potentially exceed \$100,000. He would like to know where the number comes from.

Mr. Bauman replied the number comes from the Snohomish County Auditor's Office. The \$100,000 is the maximum potential costs for special elections that would follow any voter decision to adopt Proposition 2. If the Proposition is adopted, up to two additional special elections would be held in February and April of 2017. Each of those elections could be up to \$50,000, if no other jurisdictions are sharing the cost.

Attorney Weed briefly reviewed the two technical changes made to the Resolution.

Citizen comments:

Colleen Dunlap, 3614 Fourth, said she is against changing the form of government from a weak mayor to a strong mayor. City management requires education and expertise specific to managing a small town where there is a wide range of needs, a few tiers of management and a small staff. She does not believe there is an adequate pool of qualified willing individuals in Snohomish to fill the strong mayor position over the long haul. Continuity of management is the only way to ensure smooth operation of the City. An elected Mayor would be distracted by campaigning for office every term and every new mayor would lose valuable time to learn their job. She does think Snohomish would be better served by a City Manager who lived inside the City limits of Snohomish, as is the policy in many other cities. By adding a complete full time relocation as a requirement for the job, the City may limit its pool of applicants, but the tradeoff would be a manager with a deeper understanding of the spirit of our community, its history and culture. What looks good on paper does not always support the way of life residents value most. For a City Manager living in the community, belonging to the community, would mean living with the lifestyle changes and tax repercussions of their recommendations. She supports continuity in management and City management who lives in and belongs to the community. She supports a weak mayor system with a resident City Manager. She wants to know under a strong mayor government, could the City have stipulations which could be tailored to the City.

Mr. Weed stated the City of Snohomish has adopted the optional municipal code under RCW 35A. Optional code cities can opt to adopt either a Mayor/Council or Council/Manager form of government. There are separate state statutory requirements for each of those two types of governments. Whichever one the City of Snohomish operates under, it is subject to certain State requirements. If there is a strong mayor form of government, there are a set of state laws that prescribe what the Mayor's authority is and their responsibilities. Under a Council/Manager form of government, there is a specific state statute which outlines the specific authority the City Manager has.

Bob Dvorak, Executive Director, Snohomish Senior Center and Managing Director of the Fabulously Frugal Thrift Store, 514 Maple and 506 Fourth, said as a Snohomish resident, he has had several opportunities to work with the Mayor, Councilmembers and the City Manager on a number of issues. The City has a system that has been working since the 1970s, which allowed for growth, systematic review of policies and moved the City forward in a positive manner. You don't need to fix something that isn't broke. This holds very true for this great community. He encourages all citizens who love this City, to vote No on Proposition 2.

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Morgan Davis, 206 Avenue I, commented on Resolution 1351 and the statement that the Council/Manager form of government was implemented in some US cities in the 20th Century. He stated currently in the State of Washington, 93% of the cities the size of Snohomish – under 10,000 – employ the strong mayor system. As far as the strong mayor system, he believes it can be a full-time or part-time Mayor. It all depends on the Council next year and what they decide, and what the salaries are. He believes there must be something right about 93% of the cities the size of Snohomish having a strong mayor. He doesn't believe the City should be comparing with cities like Everett, Lynnwood and the bigger cities like Lake Stevens and Monroe. He wants to know why the City would put the \$100,000 cost in the Resolution, as its pure speculation. It could be zero if there are others, just like the November election is costing nothing for this measure. It's a prejudicial statement saying it's going to cost \$100,000. It's pure speculation. On recital #9, the City is repeating #6. On recital #10, it states there is no authority to end the term of the elected Mayor. He states there is, and it's called the recall system. The Mayor can be recalled at any time, or voted out of office every four years. Saying there is no authority to end the term of a Mayor is a false statement. On recital #11, the City is placing an inordinate degree of independent authority in the hands of separately elected Mayor. That is what you want for a balance of power. When compared with the Federal Government, there is a Congress. However, with the City's idea, it would rather have the Congress appoint the US President, instead of the citizens electing the President. The US Constitution is the model for the strong mayor system where there is a balance of power. The City is putting all the power in the hands of the Council – a clique of four members – that's not right. The City needs a balance of power to even things out. That's a big problem right there. At the last Council meeting, Councilmember Schilaty and Mayor Guzak said there is nobody in Snohomish with managerial experience. That's an insult to people like Paul Kaftanski, a former Councilmember. He is a manager in the City of Everett managing a \$45 million budget. He was Parks Director. If he lost his job, he could be running for Mayor and he could run the City just as well as Mr. Bauman. He would live in the City of Snohomish where he would be accountable to the citizens. He thinks having a Resolution to put into the campaign of the No Committee may be legal, but he thinks it's a conflict of interest and unethical.

John Kartak, 714 Fourth Street, stated CPR Snohomish presented the petition that makes this possible. He said they are successful regardless of how anybody votes. He supports everybody's right to have their opinion, and everybody at CPR Snohomish does. That's why they did this contrary to Mayor Guzak's wishes. She has publically said she does not want people to have this vote when they were gathering signatures. He said they have been considered a small band of misfits to the Mayor on Facebook and they just want to advocate on behalf of the people. However the people vote, they will be very happy because this is a decision that is given to them. He would also like to point out that Steve Schuller is the City's Deputy City Manager. The City has somebody that can do everything. Regardless of who the Mayor is, the City has someone on staff who is the Public Works Director and understands how the City works. He is already drawing a salary and is a great guy. He would like to point out since 2002, there have been seven cities who have changed their form of government. CPR Snohomish cannot find a single one of those cities who will tell them their Council voted to say it's such a bad thing to change the form of government. They remained neutral because their councils don't support just themselves. Their councils support everybody. They collected 218 signatures for this. There are at least 218 people that support this. Does the Council not support them? Is the Council going to say damn this thing - we're condemning it – or

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will the Council remain neutral and let the people have their decision? Somebody said, don't fix anything that ain't broke. Something is broken here.

Mr. Kartak asked City Manager Larry Bauman if he was hiding in a dark room and spying through a two-way mirror on an Open Government Committee who were busy trying to teach all of the government how to be more transparent. He repeated the question and asked if he was also hiding with Mayor Karen Guzak.

Mayor Guzak stated that Mr. Bauman does not have to answer the question as he responds to the City Council.

Mr. Kartak responded that Mayor Guzak stated Mr. Bauman does not have to answer to them. He is the most powerful official in the City and he has every power that the Mayor would have if the City had a strong Mayor. He has all those powers. He does not have to answer to him. He is just a citizen trying to address his government.

Mr. Bauman responded citizen comments are supposed to be directed to the City Council not to staff.

Diana Carver, 330 Avenue A, stated she is a registered voter in the City of Snohomish. She is very saddened that this meeting has had to take place. She is ashamed that some of the people in her city that she has lived in for over 35 years have made such personal attacks in the guise of caring about the people. She is looking at the City Council who were elected by the people of this City, who have served honorably and continue to do so. She supports the form of government the people before she moved to the City chose and continues to do so. She is very sad she must speak up against the kind of personal attacks she just heard.

Mike Whitney, 520 Cypress Avenue, supported what Ms. Carver said. He thinks what he has seen tonight is an unfortunate display of a personal animus that drives that movement and gives it life. It has driven the recall movement which was eventually dropped of the charges that were unfounded and unbased in any fact whatsoever of malfeasance. Something that Karen should have defended herself against he thinks. He can see the challenges to even the credibility of Larry Bauman stating numbers impartially about what this will cost. Should we check the credibility of Bauman over the other gentleman that just said it could be nothing? Who are we going to trust in this thing? We are talking about strong mayor or weak mayor. He referenced a print out the Council provided, and it reaffirmed all his deepest fears about what a strong mayor would mean for the City. Particularly, what it says is that the trend of corruption and cronyism will undermine the effectiveness of local government. We need to watch and guard against this. The weak mayor distributes the power and authority equally among the members of the City Council. Wouldn't the City rather have that than one person who would be in the pocket of big business making those decisions?

Kari Zimmerman, Bonneville Avenue, said the argument that everyone is doing it – is completely invalid. We are not lemmings. She appreciates the vote where they can have a voice and she feels the citizens will make the right decision. She said a lot is being made of the 218 signatures. Obviously, that was the legal amount needed. However, that is not even 10% of the citizens in town - Let alone the vast area of citizens who don't get to vote but are still affected by the decisions made by the Council. She thinks it's just silliness. Another one of the arguments is that Larry Bauman has all the power. She wants to correct that and make sure it's clear that he is directed by the Council. He

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doesn't just get a wild hair and do whatever he wants. She read the dictionary definition of strong mayor. "Strong Mayor gives the mayor almost total administrative authority. A clear wide-range of political independence with the power to appoint and dismiss department heads without Council approval and little or no public input." To say that one person will have all the power with the current system is absolute fallacy. The person with all the power would be the elected Mayor. It's frustrating to have people just saying whatever they want and make up stories. It's ridiculous – especially people who don't even live in town. She is definitely voting No.

Bill Betten, stated he lives 300 feet outside of this community. He is not a citizen. He was born and raised here and considers himself a citizen. He is sorry he lives 300 feet outside of the City limits. It is what it is. He buys all his food in Snohomish. He is here trying to help his town. Snohomish is his town - our town. People say it's speculative. These are facts. The fact of the matter is 93% of cities in Washington State with a population level of 10,000 or less is Strong Mayor. 57% of all cities and towns in our state are Strong Mayor. It should be apparent the system works for the majority of cities and towns in Washington State. By initiating Resolution 1351 to officially defeat a public ballot issue that offers a potential for more accountability in City government - but, yes, puts the City Council and the current City Manager's job at risk – you are in effect abandoning a neutral position and ignoring your solemn pledge to serve all the voters and taxpayers of this community equally and fairly. These few who are actively controlling this Council have exhibited a self-serving, vindictive and oppressive behavior. History teaches us that we all reap what we sow. The Council's political career will not be viewed as inspired, but instead defined in the long run as a failure. A failure to protect our small town feel, a failure to stem out-of-control growth, a failure to control traffic congestion, expenses and worse – loss of voter and taxpayer trust. You say that those who disagree with you are a small unimportant group. Yet, in a very small amount of time, more than 200 signatures from residents who live in our town, signed a petition to adopt the very ballot issue the Council intends to defy tonight. To make a point, they haven't seen a demonstration of standing room only people that are asking for this to be squashed. The citizens want to be heard. Just say no to no. Also know this, we are not going give up trying to help the Council learn better ways to treat their constituents. They are all not lazy minded. Maybe the Council should adopt some more pleasing and respectful manners so they can all thrive and enjoy what they have here – a beautiful town. He asked the Snohomish City Council, how do they want to be remembered?

Melody Clemans, 313 Avenue D, asked what are the qualities necessary to have a vibrant community where families choose to live here and raise their children? There is an answer to that. The answer is quality open government and quality schools. These two qualities go hand in hand in the community. She just described the City of Snohomish. She knows this with all her heart. 45 years ago, the City's citizens chose a more open government system, a Council/Manager form of government. It is an efficient straight line governing system. The citizens elect 7 councilmembers to create the policies for our town. The Council hires a manager to implement them. For 45 years - it works. Snohomish has prospered for these 45 years, with a great, open and responsive government. There is no need to fix or change what is not broken. She knows it's a cliché, but it is really true in this town. You just have to live it to know it. She congratulated all seven councilmembers and shame on some of the City's community members for putting them through some of this. She congratulated the Council for able representation of the community. Each one of them are elected and doesn't have to do this. They chose to do this. She thanked them for their service. She is here tonight to

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urge the citizens to vote and resolve not to support Proposition 2 on this November's ballot.

Vicki Machovsky, 2320 139th Avenue SE, stated she lives outside the City limits, but hears that 93% of the cities don't use the Council/Manager form of government system. We have used it for 45 years. This Council did not bring this system into place. It has been in place for awhile. It is working and it is efficient. She speaks the fear of bringing in a strong mayor. She stated it sounds very scary to her. She supports the current system. What the Council is doing for their community is appreciated. She believes it is strong. She doesn't want authority in the hands of one person. She stated there are 7 people and each one of these people are directing the manager and we don't have one person who has all the strength. There are 7 councilmembers to make those decisions for the community. She will vote No.

Tom Merrill, 602 Avenue A, stated prior to coming tonight, he had prepared some comments, but the Council has issued the Resolution which pretty much covers everything he had to say. He has heard fiery rhetoric. He has heard great passion. He has heard outright lies, and he has heard attacks on people in the City tonight. Lie #1 – he has worked on the Open Government Committee. There was not somebody sitting behind a mirror in a dark room watching them deliberate on that Council. The Mayor and Mr. Bauman came into the room when they were deliberating, sat down at the table and were totally open with them. #2 – He has heard 93% - 57%, he has heard actual salaries posted and he is trained as a statistician. If you want to lie, pull out numbers like that and throw them out there with no back up for it. Speaking of passion and rhetoric, he also had experience running large organizations, and he can talk about whether a mayor can do it or not, but as life gets more complicated and the regulations get more complicated and as the technology gets more complicated, professionalism in running an organization is key. He would much rather have somebody running the day to day administrative affairs of the City that by training, experience and preparation has set themselves up to do that. He also likes the idea that they are separated from the day to day politics that go on in the City. So, the question he has for everybody is would they rather have a professional running the administration of the City or would you rather have somebody that just won a popularity contest doing it? When he listens to the rhetoric, he doesn't hear high moral ground for Proposition 2. It comes across to him like personal vendetta and something that is personal. No high moral ground in it at all.

Frederic Gibbs, 10909 210th Street SE, stated there are 281 cities in the State of Washington. Of those 281 cities, there is one that has a City Commission. 228 have a Mayor/Council and 52 cities have a Council/Mayor. That is around 80%. The City of Shelton is the only city that still uses a three-member Commission. Right now, the City has a Council that elects the Mayor as opposed to a Mayor that directs the Council. So, the later sounds like a monarchy and the former sounds more like a democracy. He assessed the quality of life index for the 14 cities that are in the population range of Snohomish. Of those 14 cities, Snohomish and Poulsbo are in the top with a score of 146. These assessments are based on crime rates, quality of life, education level, and population rate. He will be posting his findings and other findings related to municipal performance and financial performance – bond ratings, etc. as he comes across them. The City seems to be run well. Snohomish is in the top spot with Poulsbo. Poulsbo is a Mayor/Council City. The scores are pretty much even. However, based on cumulative scores of how the cities are run, Council/Manager cities are run better.

Citizen comments – closed

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Councilmember Randall stated in 2011, Cy Son was elected the Mayor of Pacific, Washington. Pacific, Washington is located about eight miles from Puyallup, where the State fair is held. Son took office and within a short time, he fired most the City department heads. He also hired and fired three police chiefs and some of the City's police officers. He almost drove the City to bankruptcy before he was recalled by the voters of the town of Pacific in July 2013. Pacific is a town of 6,600 people, which is a little smaller than Snohomish, but not that much. During that time, the Pacific City Council was powerless to do anything about these problems that had come up with a strong mayor. When things go bad with a strong mayor, they can go really bad for the City. He will support the motion to adopt Resolution 1351.

Councilmember Hamilton stated the issue before the Council tonight is one in the form of the Council's support or not to support a change in form of government. This issue was brought by a group of citizens who have as much passion for this City as any other citizens. They have given the voters of the City an opportunity to weigh in as to whether they want the change or not. On November 8, they will cast their ballots and the Council will know their answer. He supports the Resolution and will ask for some revisions to it. He noted with the City's current form of government, there are elected representatives from the citizens of the City, who hold the power to raise and spend money. The Council receives guidance from staff. A few years ago, the City was looking at sending its effluent down the river to Everett. That came about because of regulatory changes and the City was sued by the Puget Soundkeepers. Recently, the City received recognition from the Puget Soundkeepers in recognition of the work it did to clean up the wastewater problem. The City was looking at a \$50 million project to be shared by about 2,800 ratepayers. The City Manager had the foresight to be able to work in collaboration with the Puget Soundkeepers and the State. The Council spent probably more than \$10 million to clean up the wastewater. Staff has come up with some incredibly cutting edge and innovative ways to do this. The City is now in compliance. The guidance received by the professional management of this City, discounting the other costs that were laid out, has saved the ratepayers in this City more than \$30 million.

Councilmember Hamilton stated it was mentioned by several speakers that many of the cities with less than 10,000 population have a strong mayor. There is a reason for that, and it doesn't have anything to do with good governance. Last month, he was in Soap Lake on business and met the Mayor. 10% of the City's General Fund revenue comes from property taxes. The vast majority is from sales tax. Soap Lake would love to have a Council/Manager form of government. They can't afford it. They limp along with a Strong Mayor and a number of other passionate citizens trying to move their city forward. He would like to see two changes to the proposed Resolution 1351. Where it states there were 218 signatures, the "bare minimum" required by law. He would like "bare minimum" removed. The reference to the cost of \$100,000 is irrelevant and should be removed.

Councilmember Burke stated if he had to pick somebody in the room to be the Mayor for another year, it would be Larry Bauman without question. This Council has debated back and forth and disagreed on a number of really controversial issues. However, it doesn't appear with this issue on this topic. The form of government should remain as it is.

Councilmember Wilde stated what a year to come on Council. He referenced Councilmember Hamilton's comment about the utility rates. If he had a business, he would want somebody running his business that knows what they're doing and is the best

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person for the job – not just somebody who is popular. If the citizens of Snohomish don't like the City Manager, they can vote for the councilmembers who can make that change.

Councilmember Schilaty stated she supports the State petition process completely. The change in the form of government is on the ballot for November and she respects the process. She feels it is very much within the Council's purview to have the Resolution as supported by the RCW. As Councilmember Burke stated, it is telling that all seven councilmembers feel strongly about this. This decision does not have anything to do with the current City Manager. However, the current City Manager has exemplified why a professional is so important within the community as explained by Councilmember Hamilton. The professional manager also hires professional staff. She was on the Council in 2007 when the City went through the Great Recession. To go through that recession and come out the way the City did took incredible expertise. This decision will live far beyond any of the current Councilmembers and City Manager. A professional manager got the City through the Great Recession, which required staff reductions and many difficult decisions. Imagine if there were a strong mayor in place - those decisions would become politicized. Those decisions need to be based on professional standards. In reference to the 218 signatures, she feels it is valid to state it was the minimum required – "bare" minimum is not necessary. She acknowledged reference to \$100,000 in cost is speculative. However, stating the maximum potential is something the taxpayers should know. We know the change in government will include some expenses. We don't know what they are, but it will cost the City. She would be okay with removing the number. Mr. Davis referenced a recall process. She wished to note, the recall process is a very costly and disruptive process. A City Manager can be fired at any time and replaced. Councilmember Schilaty supports Resolution 1351.

Councilmember Randall supports removing the word "bare" minimum required by law of 218 signatures. He also supports removing the \$100,000 in costs as it is speculative and noted there will be costs involved in changing the form of government.

Mayor Guzak stated there will also be legal costs for redrafting City documents. There will be a legal process with legal costs. She supports leaving the \$100,000 cost.

Council agreed to strike the word "bare", re-craft the language related to costs and move Recital #11 to #3.

MOTION by Burke, second by Randall, that the City Council **ADOPT** Resolution 1351, as amended providing the City Council's recommendation that voters vote "no" on Proposition 2 on the November 8, 2016, ballot.

Councilmember Hamilton will support the amended motion. For the record, he stated it is immaterial to reference the 218 signatures. The citizens met the threshold under the RCW.

VOTE ON MOTION: The motion passed unanimously (7-0)

- e. **SET** Public Hearing Date for Tenth Street Right-of-Way Vacation – **PASS** Resolution 1352

Mr. Monzaki reviewed the staff report, noting the Snohomish Covenant Group, LLC, (SCG) owner of Parcel No. 00487700000811 (1001 Avenue D), has requested a street vacation of a portion of the northern half of the Tenth Street right-of-way that is east of Avenue D. The purpose of the vacation is to resolve an existing encroachment of a commercial building and other site improvements within the requested vacation area.

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The land appraisal report completed for the vacation area (1,498 square feet) determined the market value for the vacation area is \$41,195 (\$27.50 per square foot). The report shows a summary of the Land Sale Comparables that was used in the analysis. The comparables ranged from \$8.05 to \$30.17 per square foot. According to the Snohomish County Assessor's Office Property Information, the 2016 market land value for Parcel No. 00487700000811 is \$439,700. This is \$20.60 per square foot based on a property area of 0.49 acres (21,344 square feet). The appraiser based this value as if the land were vacant and available to put to its highest and best use, which is \$27.50 per square foot, which is higher than the market land value determined by the Snohomish County Assessor's Office and the higher end of the range determined by the comparables.

Resolution 1352 has been drafted for adoption setting a public hearing for November 1, 2016 on the proposed vacation. According to SMC 12.48.030, the Council will generally make its determination regarding whether to require compensation before it adopts the resolution, but the Council shall retain the discretion to review its determination following the public hearing.

Citizens' comments - none
Citizens' comments – closed

Councilmember Hamilton commented this is the highest appraised value he has seen in the past twelve years.

MOTION by Hamilton, second by Rohrscheib, that the City Council **ADOPT** Resolution 1352, setting a public hearing date for November 1, 2016, to consider the vacation of a portion of Tenth Street and request for compensation. The motion passed unanimously (7-0)

- f. **APPOINT** Councilmember to Serve as SAO-Audit Liaison and to **WAIVE** the Need for Annual Audit Entrance Conference

Ms. Olson stated the purpose of this agenda item is for City Council's consideration and selection of a City Councilmember to serve as Council liaison to the State Auditor's Office (SAO) during the City's annual audit, and to determine the need for an annual audit entrance conference.

Councilmember Hamilton volunteered to serve as the SAO-Audit Liaison.

Citizen comments – open
Citizen comments - closed

MOTION by Guzak, second by Wilde, that the City Council **APPOINT** Councilmember Hamilton to serve as the Council SAO - Audit Liaison and **WAIVE** the annual audit entrance conference. The motion passed unanimously (7-0)

7. DISCUSSION ITEMS:

- a. Funding Concepts for the Hal Moe Building Project – Request for Proposals for Feasibility Study

Ms. Johns reviewed the staff report, noting the purpose of the agenda item is for the City Council to review the draft Request for Proposals (RFP) for the Hal Moe Building

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Remodel Project and to provide staff with direction on next steps. The RFP will look to analyze the committee and community's vision. The consultant team will provide professional expertise to determine the feasibility of remodeling the building. A final preliminary plan will be presented to Council for approval. The RFP is estimated to cost approximately \$50,000, out of a budget of \$150,000. It is funded by REET. Once a plan is approved by the Council, construction funding will likely be sourced through multiple areas, such as a Snohomish County Community Development Block Grant, REET, possibly councilmatic bonds or general obligation bonds. Future operation and management options might be partnering with non-profit organizations, possibly user fees or voter approved specific levy for the facility. If approved, the RFP will be advertised for 30 days.

Mayor Guzak stated the direction of the Hal Moe Committee to date is to recommend that the building not be torn down and to repurpose the existing building. This would necessitate some design assistance.

Citizen comments - open
Citizen comments – closed

Councilmember Rohrscheib said he travels by this property quite often and it is such a black eye on the neighborhood. He has already expressed his thoughts on how it should be converted and he has battled with a few folks on that. He is pretty confident the building has been broken into by the homeless. He doesn't like the idea of spending money to evaluate this. He would like the building to be demolished and put some grass there. He will not support a motion for an RFP.

Mayor Guzak stated she has the work of the committee and she supports it.

Councilmember Schilaty stated the Council decided to appoint an ad hoc committee to help Council make a decision, and the members are representatives of the community. She feels the process should move forward. Council is not committed at this point, but in order to know what to do next, Council needs to have this information. It's been a thoughtful process.

MOTION by Schilaty, second by Burke that the City Council **AUTHORIZE** staff to advertise, interview and select a consultant to prepare a draft conceptual remodel plan, elevations and cost estimates for the Hal Moe building site.

Councilmember Randall supports the motion. He believes the Hal Moe building has fallen into decay, but the bones are still good. Not all parts of the building can be retained, but he is excited to see what the plan will look like.

Councilmember Burke is also excited to see the preliminary plan. The site is centric to the town and it has a lot of potential. He thanked the committee for their work.

Councilmember Wilde stated the money issues are a concern for him. He agrees with Councilmember Rohrscheib. A quick fix for now may be to tear down the building and clean it up and then figure out how to obtain funding to build something that may be more useful later on. He will not support the motion.

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Mayor Guzak stated she has been attending the Hal Moe Committee meetings and she has watched the committee going through their process and it has been very deliberative. This space has huge potential. She supports the motion.

VOTE ON MOTION: The motion passed (5-2) with Wilde and Rohrscheib voting nay.

b. City Council Meeting Minutes Preparations

Mr. Bauman reviewed the staff report, noting the near verbatim, detailed style of minutes currently produced for the City Council requires a considerable amount of staff resources. For example, the August 16, 2016 meeting minutes resulted in the City Clerk and staff devoting a combined 37 hours to develop 34-pages of minutes for Council review. If staff continues with this detailed style of minutes, it cannot meet the departmental demands for public records and other essential services. The combined position of City Clerk and Human Resources Manager has saved the current year's budget approximately \$120,000 in expenses. If a change is not made to the manner in which the Clerk delivers the Council's minutes, Mr. Bauman cannot sustain the combined position, and a new position would need to be added to the 2017 budget to manage these demands. Most cities in the region have moved away from detailed minutes due to the extensive time and resources required to produce them. Staff recommends that the City move to a summary form of minutes. Options would be to hire a part-time employee to transcribe audio recordings of the Council meetings, or revise to summary or action style minutes. The recent improvements to the City website includes access to full audio recordings.

Citizen comments - open

Morgan Davis, 206 Avenue I, read an excerpt from the September, Seattle Times editorial article, entitled, "Public Records, An Essential Cost for All." The last paragraph reads, "Transparency is essential to democracy. It's how citizens keep track of their government's actions. The Legislature should tread carefully before making any changes to the state Public Records Act that would make it more difficult for the public and the press to watch over their governments." Mr. Davis stated periodically, Mr. Bauman brings the subject up of eliminating the detailed minutes. He thinks it's essential. It will prevent public records requests. It will save money. In digital format, you can scroll through it. That is why during depositions, you just don't have an audio, you have a court reporter that takes transcriptions. It's a quasi-legal thing. The Council needs to keep its detailed minutes. He prefers the Council vote for option 1. If the Council has to hire a part-time clerk at \$20,000 per year, it is well worth it. It will save money. It's for transparency. He remembers late last year when the Council said it would save \$120,000 by not filling Torchie's position and let Pat Adams do it as part of her HR job. He said the City could take that money and spend it on Ron Dotzauer and Margaret Arnold for open government transparency committees. The Council spent \$25,000 on it and he had one public records request. It was merely to verify whether Ron Dotzauer's focus group members were in the City of Snohomish. Names and addresses, and the City dragged their feet from his request in April until August. Mr. Weed milked the system for tens of thousands of dollars in legal fees for that one little request for names and addresses. If this were in detailed minutes and answered his questions, the City wouldn't have this. The Council is throwing the baby out with the bath water. Keep the detailed minutes. What's wrong with hiring a \$20,000 clerk? You just spent \$150,000 to keep a building that back in July 2014, the Council wanted to tear down the Carnegie annex building. That's a better building than the eye sore on the Hal Moe site. The Council is not

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consistent. He recommends keeping the detailed minutes. It's a good investment and he urges the Council to read the article by the Seattle Times. It nails the issue right on the head.

Citizen comments – closed

Councilmember Schilaty asked about the ability if the minutes are completed in a summary form to index it to the audio.

Mr. Bauman stated there is the current ability to fast forward and reverse the audio file, but do not have the ability to index at this point.

Councilmember Schilaty stated it is a standard format. She is sure it can be done and it would be very helpful if Council adopts the summary form of minutes.

Councilmember Hamilton applauds staff for moving the audio portion of the meetings to the website so citizens can download it and listen to it. Particularly, those people who can't attend the meetings. Detailed minutes do take a long time to transcribe. They are a great resource. Technology will probably catch up. Voice recognition would be great to convert the minutes into some sort of usable form. He likes the detailed minutes and it is still the quickest way to learn what happened at a meeting. He is in favor of staying with the detailed minutes.

Councilmember Randall stated in reviewing the packet material, five jurisdictions use the summary minutes and four use the action minutes. No jurisdictions have the detailed minutes that the City does. Apparently, Marysville has a little bit of verbatim discussion in their minutes. He thinks the City should move to summary minutes.

MOTION by Randall, second by Guzak that the City Council **ADOPT** the summary format for its City Council Meeting Minutes.

Mayor Guzak stated it's time to go to summary minutes. There is a lot of information in the staff reports, along with the audio being available. She thanked Ms. Adams for the sample of what the minutes would look like in the summary format.

Councilmember Rohrscheib stated he supports the move to summary minutes, but would like the option to revert back to detailed minutes.

Councilmember Schilaty stated when the topic was brought up a few years back, it was a source of pride that we still did the detailed minutes. She feels like life is moving forward and right now there is a lot pressure on the City for records, the amount of involvement with the citizens has increased and to transcribe citizen comments when 100 people show up is very difficult and onerous. It is recorded. She is in support of going to summary minutes with the caveat that staff move as quickly as possible with technology to make it easily accessible to the public through indexing. She supports the motion.

Councilmember Hamilton does not support the motion. Public record requests are a problem throughout the state. The State Auditor recently published a fact sheet regarding those costs. It's great that people can make public records requests and it's important. Sometimes it feels like people are just trying to be the next Edward Snowden. He wonders how much government money is wasted through these types of efforts. It's unfortunate the City is going to go this route. While it's easy to listen to a three hour

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Council meeting, how long does it take to read a three hour Council meeting with minutes? 15 or 20 minutes. It's a lot harder to listen to the audio.

Mayor Guzak referenced the staff report and noted in 2014, Council had 28 meetings. In 2015, 29 meetings, and the Council is looking at 38 meetings this year. It is a huge amount of work. The meetings are also longer as we've invited more of the community to speak. The Council is happy to have more community comments. She supports the motion.

VOTE ON MOTION: The motion passed (5-2) with Hamilton and Burke voting nay.

c. 2017 Personnel Overview

Ms. Olson reviewed the staff report and noted the purpose of this agenda is to provide the City Council a first review of 2017 projected personnel wages and benefits for the upcoming year.

On August 23, 2016 during the City Council Budget and Planning workshop, staff discussed proposed 2017 personnel budget conditions to include:

- Cost of Living Adjustments 2.25%
- Step Movements for Eligible Employees
- Anticipated Medical Premium Increases (3%)
- Vacant Water Plant Operator Position
- Continued Utilization of Temporary/Seasonal Help

For 2017, salaries and benefits make up 30% of the total estimated expenditures in all proposed operating budgets. Within the General Fund, personnel costs comprise the largest share of expenditures. Total 2017 estimated General Fund expenditures are over \$9.1 million with proposed General Fund personnel costs expected to be \$3.6 million or 39% of the overall General Fund expenditure budget.

Mayor Guzak noted the \$3.6 million is 39% of the Snohomish's overall General Fund expenditure budget, but other cities generally are 63%, so Snohomish is being much more efficient with the use of its General Fund dollars relative to personnel costs.

Citizen comments – open

Morgan Davis, 206 Avenue I, referenced page 169 of the agenda packet concerning Personnel and Benefits for 2017. It states City Council at \$46,000 and then Administration – which would be Larry Bauman, Pat Adams and Debbie Emge. Their total projected is \$564,000. If you compare that with our neighboring city, Monroe, which is twice as big, they tried an Economic Development Manager one time and apparently it didn't work out. They hired Jeff Sax, a former County Councilman. They got a new strong mayor and he laid Jeff off. He assumed the duties of promoting and getting factory jobs to Monroe. He believes their Mayor is part time and paid \$40,000 and their Administrator can't be more than \$160,000. That is \$200,000 and then Pat Adams position would be \$120,000. So, that's a total of \$320,000 versus \$564,000. It's management priorities is what the Council has to look at. It's one of the advantages of the strong mayor. The strong mayor can take an independent look. The U.S.

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Constitution is modeled on that. Can you imagine our U.S. Congress appointing the President to manage the Federal Government? That's why it is important to have checks and balances. We all took that in civics in high school. Mr. Wilde probably took it with Gionet – the elderly gentleman that passed away. It's basic civics – independent – balance of powers and a lot of good cities like their strong mayor system. The Council can rearrange priorities and have Debbie do some other function in City government, but he doesn't think a small town like Snohomish under 10,000, needs an Economic Development Manager. If Monroe doesn't need one, why should Snohomish have one? It doesn't make sense. It's a matter of priorities. This is why there is an up swelling of discontent in this City, because they really think that the Council is not good stewards and have a vested interest in keeping the present system because it's their power. Nobody wants to give up power. The Council is not frugal and doesn't spend money responsibly.

Citizen comments – closed

Councilmember Wilde commented that he deals on daily basis with somebody on the City of Monroe's Council, and he knows they are looking for a lot of new businesses in their City and they don't have a lot of areas for it. They are missing an Economic Development Manager which would help their businesses grow. He looks at numbers and he thinks the position is very valuable for Snohomish. The City's vacancies are pretty low and businesses are doing really well right now.

Mayor Guzak has no issues surrounding the personnel forecast and accepts the report as presented.

Councilmember Burke questioned the Labor and Industries 50% increase.

Ms. Olson explained the rates went up 50% in 2013. There has been no major increase in 2017.

8. CONSENT ITEMS:

- a. **AUTHORIZE** payment of claim warrants #59361 through #59452 in the amount of \$709,322.14 issued since the last regular meeting.
- b. **CONFIRM** Mayor's Appointment to the Design Review Board.

MOTION by Hamilton, second by Randall to pass the Consent Items. The motion passed unanimously (7-0).

9. OTHER BUSINESS/INFORMATION ITEMS:

Mayor Guzak attended a meeting with a citizen concerning construction noise on weekends and evenings. Mr. Pickus will generate a comparison of construction noise ordinances with other cities. Snohomish has the widest allowable time frame from 8:00 a.m. to 10:00 p.m. She would like to ask the Council to consider redrafting the City's construction noise ordinance at a future meeting.

Council is in favor of conducting this review, and staff will bring it back for Council consideration.

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10. COUNCILMEMBER COMMENTS/LIAISON REPORTS:

Councilmember Hamilton provided an observation on the earlier discussion regarding the opposition to the Resolution and in support of Proposition 2. He kept an informal tally. Of those people who spoke in opposition to the Resolution in support of the Proposition, only one of those individuals was a registered voter in the City, and of the people who spoke in support of the Resolution, or in opposition to Proposition 2, only eight of those were in the City. He will not be attending the October 4 Council meeting.

Councilmember Burke stated HDS met on Thursday. They are thinking about events and how to restructure the Taste of Music. The Park Board will start to meet regularly again beginning the 28th of this month.

Councilmember Rohrscheib stated concerning Resolution 1351, he spoke with Mr. Betten and Mr. Kartak a number of times about the Resolution. When they were first discussing bringing the Proposition to the voters, they asked what he thought and he told them he didn't agree with it, and he still doesn't support the Proposition. However, he does agree with the citizens' rights to bring it to the voters. Vote No on November 8.

Councilmember Wilde stated the Design Review Board did not meet last week. He will not be attending the October 4 meeting.

11. MANAGER'S COMMENTS:

Mr. Bauman stated there is a new trend in cell phone antenna technology that is concerning to a number of cities and other public agencies that may be impacted by this. It is a firm named, Mobilitie, promoting a form of distributed multiple antennas in single jurisdictions on single poles in the right-of-way, ranging from 60 to 80 feet high. They claim to be a utility and as such, they believe they are exempt from franchise fees and the controls that franchise agreements can create for how these facilities impact cities. The growing concern among cities is the need for expert legal advice to deal with this corporation in an effective way. A consortium has been developed led by Ogden Murphy Wallace. Staff would like to participate in an upcoming coordination meeting of the consortium on September 29, with Council's approval. The outline for any future contract would be a \$6,000 buy in fee to join the consortium, and a 5% share for each new member of the ongoing fees, estimated at \$1,600 per month, possibly less. The total cost, including the buy in fee is not expected to exceed \$15,000.

The Council agreed that the City's participation in this initial coordination meeting is appropriate.

12. MAYOR'S COMMENTS

Mayor Guzak stated she and the City Manager had a meeting with Lake Stevens Mayor John Spencer and Interim City Administrator Mary Swenson regarding the City's hope to grow to the north and their hope to grow to the south. There will be casual meetings, which will include planning staff.

Coffee with the Mayor is scheduled for Friday, 9:30 a.m. at Proper Joes. She invited one or two Councilmembers to join her.

Snohomish County Tomorrow meets Wednesday, September 28, 6:00 p.m., in Everett for

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their Annual Assembly. Councilmembers are invited to attend and have received invitations. The discussion will be on the issue of “Stuck in Traffic.”

New Community Transit Route 109 is now running through Snohomish.

13. **ADJOURN** at 9:53 p.m.

APPROVED this 18th day of October 2016

CITY OF SNOHOMISH

ATTEST:

Karen Guzak, Mayor

Pat Adams, City Clerk

PRESENTATION 5

Date: October 18, 2016

To: City Council

From: Larry Bauman, City Manager

Subject: **Presentation by Peter Messinger Regarding a Proposed Gun Disposal Program**

SUMMARY: The purpose of this agenda item is for the City Council to receive a presentation from Snohomish resident Peter Messinger. His proposal would create a voluntary gun disposal program managed by the City's Police Department. Mr. Messinger has titled this program as "Drop Your Guns." He intends to present this concept to Council through a PowerPoint presentation.

BACKGROUND: Mr. Messinger envisions a program that would involve distributing information to the community about an opportunity to voluntarily dispose of unwanted firearms by bringing them to the Snohomish Police Station. The Snohomish Police Department already accepts such firearms for disposal and is organizationally prepared to participate in the type of program that Mr. Messinger has outlined. Gun disposal requests brought to the Snohomish Police Department are currently infrequent and random. As such, they present no excessive burden on officers. Weapons donated for disposal typically are those that have little monetary value due to age, condition, and type. Many of these weapons, apparently, are offered by the owners for disposal because they are either inoperative, inherited from a relative, or unwanted for other reasons.

ANALYSIS: The key concerns of the Police Department regarding this proposed program are that individuals disposing of firearms contact the Department in advance to schedule a time to submit their weapons, and that limits be placed on the maximum number of appointments permitted for any single day. These concerns derive from the operational need to allot 45 minutes to an hour to retrieve each weapon from a vehicle, ensure it is unloaded and safe to bring into the Police Department, and then complete necessary paperwork with the gun owner for the disposal process. Mr. Messinger has agreed that such scheduling requirements could be incorporated into his program. If this program is supported by Council, staff would collaborate with Mr. Messinger to announce the disposal program via the City's Weekly Newsletter, website news, and social media.

BUDGET IMPACTS: None are anticipated.

STRATEGIC PLAN REFERENCE: Not applicable

RECOMMENDATION: That the City Council **RECEIVE** the presentation by Peter Messinger regarding gun disposal and **DIRECT** staff for any further action.

ATTACHMENT: None

PRESENTATION 5

PUBLIC HEARING 6a

Date: October 18, 2016

To: City Council

From: Larry Bauman, City Manager

Subject: **2017 Revenue Sources – Public Hearing**

SUMMARY: The purpose of this public hearing is for the City Council to take public testimony regarding revenue sources as a key step toward adoption of the 2017 Budget. Cities in the State of Washington are required, by Ch. 84.55.120 RCW, to hold a public hearing on proposed operating revenue sources prior to the adoption of their annual property tax levy. This public hearing provides the City Council and the public with the opportunity to review forecasted 2017 operating revenue sources. City operating funds – defined as funds that pay employee wages – are the General Fund (001), Street Fund (102), Utility Enterprise Funds (401,402,404), Fleet and Facilities Fund (501) and Information Services Fund (502).

BACKGROUND: The 2017 budget development process began in July of 2016. The City Council received 2016 preliminary revenue information as part of their August 23, 2016 workshop, which provided an opportunity for review of anticipated future revenues for 2017. On September 30, 2016, the City Manager's 2017 Recommended Budget was distributed and included proposed revenues, expenditures, fund balance estimates and detailed department operating budgets. On October 18, 2016, the budget workshop included a budget overview that reviewed 2017 estimated revenues along with presentations on 2017 departmental operating budgets for operating funds.

ANALYSIS: The economy continues to improve but still remains somewhat unpredictable. Sales tax revenues are projected to grow slowly and building related fees and charges are anticipated to decline. Expenditures, as predicted, continue to increase at a faster pace than revenues. Long-term these demands do not offer the ability to maintain adequate reserves. This condition points to the need to continue work during 2017 to develop a five-year financial plan or strategy. Previous year measures for cost containment and a cautious approach to forecasting revenues have not minimized the need for future levels of service modifications. Previous year cost reductions implemented in 2009-2012 consisted of position eliminations in every City department and underfunding replacement reserves in non-operating funds for facilities, equipment, vehicles and technology. For the 2013-2016 budget cycles, a small number of positions were funded and efforts to resume equipment and technology replacements were included in the adopted budgets. In 2016, no new positions were funded as personnel and benefit costs make up the majority of the operating fund budgets.

The 2017 Recommended Budget largely continues a conservative budgeting approach initiated at the start of the economic recession beginning in 2008. The economic conditions caused during this recession have continued in lessening degrees in recent years, yet have a sustained impact on the City's operational budget as we go forward into 2017.

The General Fund is the City's core operating fund and supports the costs of basic governmental services; law enforcement/criminal justice, parks, planning and development services, economic development, support services and the general administration of City government. The General Fund transfers dollars to the Streets Special Revenue Fund where maintenance and operations are allocated. The General Fund also transfers dollars to the Facilities & Fleet Fund, Information

PUBLIC HEARING 6a

Services Funds, and Internal Service Funds for maintenance and operations of the City facilities, vehicles, and equipment and technology services.

Utility Enterprise Funds are also significant operating funds that support the cost of delivering water, wastewater and storm water services to users connected to the systems. Enterprise Funds are considered proprietary with rates and fees collected by these funds being restricted and used solely for operations, maintenance, debt service and capital infrastructure and equipment directly related to each utility.

The basic and conservative assumption embedded in the 2017 Budget is that we should be careful not to expect that recent trends of improvements in our General Fund revenues are sustainable trends at this time. Sales tax revenues account for the largest share of the General Fund resources and are the most volatile by reflecting the state of the economic ups and downs. The 2017 Recommended Budget projects a modest increase in revenue streams for the General Fund. Utility rates are proposed for the three year period of 2017, 2018 and 2019 and the 2017 Recommended Budget includes the proposed rate 2.25% increase each year for water, varying decreases for sewer rates based on meter size and storm water rate increases at 2% each year.

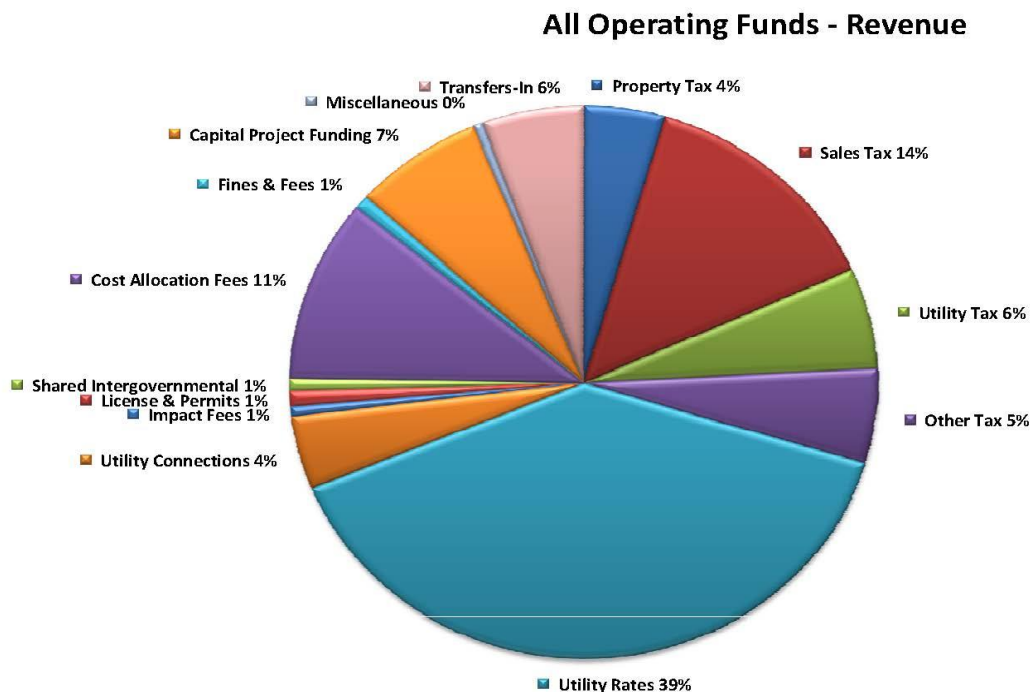
Staff received direction from Council after the August 2016 budget workshop and strategic plan initiatives have been incorporated into the recommended budget. As an integral part of the budget process, department directors review and forecast year-end revenue and expenditures. Preliminary assessed valuation estimates have become available from the County Assessor and the City Manager has made overall preliminary budget recommendations.

Total 2017 revenue sources are estimated to be \$28,153,060. The following is the latest summary of proposed revenues based on all sources anticipated:

Fund	Fund Name	2017 Revenue Recommended Budget
001	General	9,095,305
102	Streets	1,044,175
104	Park Impact Fee	135,230
107	Visitor Promotion	8,020
108	PBIA	24,075
113	Police Seizure	0
117	Real Estate Excise Tax	601,800
125	Traffic Impact Fee	349,306
205	Debt Service	60,773
310	Municipal Capital Projects	665,000
311	Street Capital Projects	2,510,500
401	Water Utility	2,787,078
402	Wastewater Utility	4,727,509
403	Solid Waste	2,091,000
404	Stormwater Utility	1,627,300
501	Fleet & Facilities	922,950
502	Information Services	559,255
503	Self-insurance	5,010
505	Equipment Replacement	136,249
604	Carnegie Restoration	25
130	TBD	802,500
Fund Totals		28,153,060

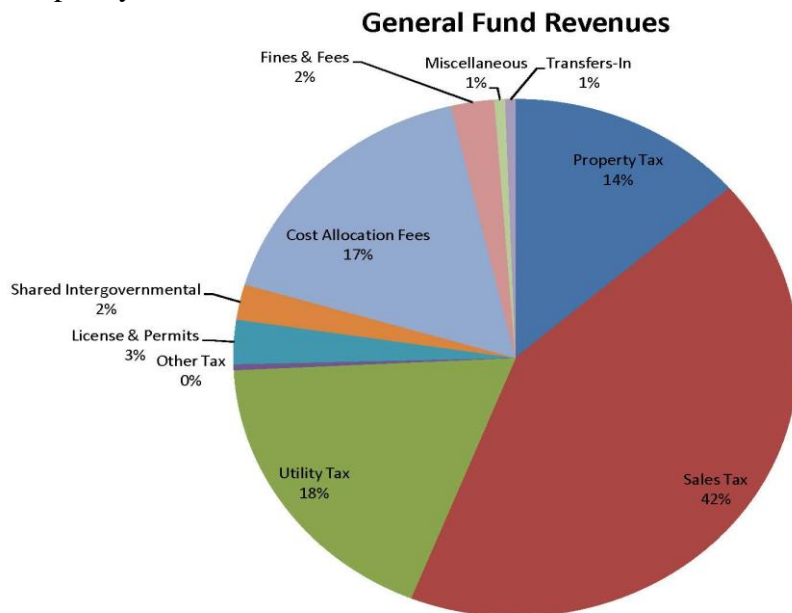
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When looking at overall revenues, utility rate revenues are the largest source at 39% with General Fund Sales Tax next at 14%. Utility tax revenues are 6% and Property tax at 4%.



General Fund Revenue Overview

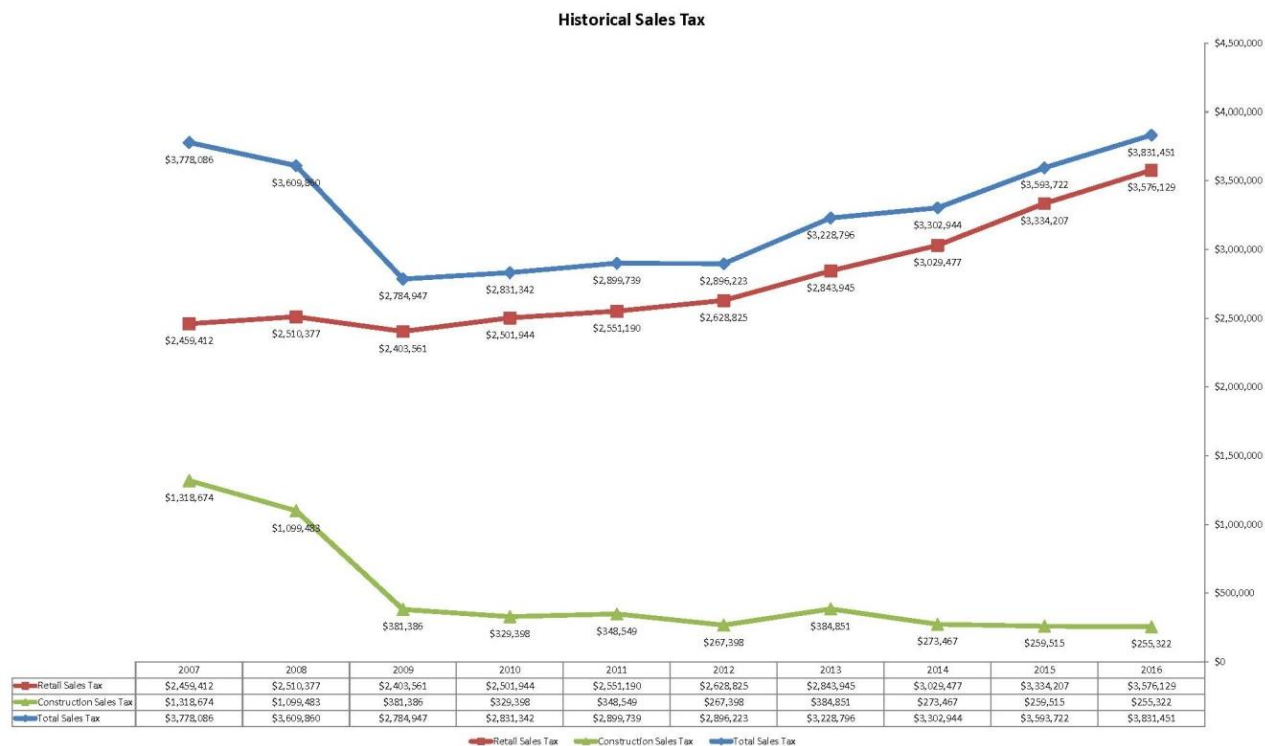
General Fund revenues for 2017 are budgeted at \$9,127,383 not including beginning fund balance, and are estimated to increase 3.4% over the forecasted 2016 year-end revenues. Beginning General Fund Balance for 2017 is estimated to be \$1,174,196. This amount along with incoming anticipated revenues, are used to fund expenditures or set aside as reserves based on City Council policy.



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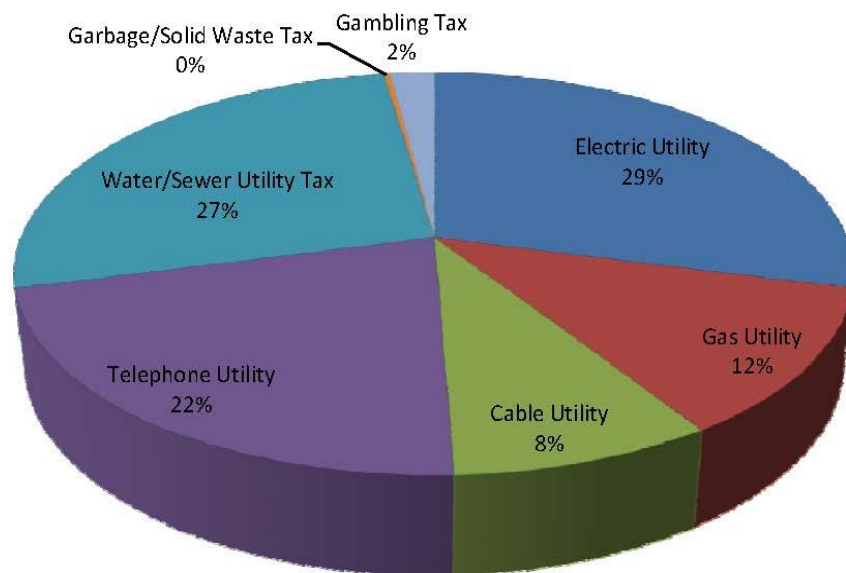
General Fund **Sales Tax**, overall are projected to increase \$38,000 from the 2016 budget. The 2017 sales tax revenue budget is conservatively estimated at \$3.76 million.

The construction sales tax category consists of revenues generated for City capital projects and housing construction and is projected to remain the same as in 2016, while the retail sales tax portion is projected to increase approximately \$38,000. The two components of this revenue category give insight into activity levels in sectors of our local economy. Retail sales tax revenues showed strong growth in early 2016 and slower growth in the last quarter. While, trends are showing that retail tax revenues are progressing, there is no basis for any increased performance projections in the construction category. Sales tax revenues continue to comprise the predominant funding source for the General Fund at 42% of all sources, not including beginning fund balance. A sales tax trending graph is provided below with a history of sales tax receipts in total and by retail and construction activity.



Utility Tax, the second largest General Fund revenue source are anticipated to remain the same for a total revenue source generating about \$1,516,000. The taxed utilities are gas, electric, television, telephone, solid waste, water and sewer. Utility taxes continue to remain stable as shown in the last five-year history shown below.

2016 Utility and Other Taxes



The 2016 **Property Tax Levy** is proposed to be \$1,189,848 which includes a proposed 1% increase to the regular levy, plus any increase for new construction value and any property tax refunds or assessments due to the City. Property taxes are anticipated to be 13% of overall General Fund revenue sources.

Development-related **Permitting Revenues** are conservatively budgeted to decrease \$98,821. Plan check and various other development fees are projected to decrease by approximately \$108,000. The 2017 reduction is based on staff's annual review of approved plats and construction that may occur in the upcoming year..

State shared revenues or **Intergovernmental Revenues** in 2017 of \$218,716 consist primarily of state and county shared revenues for criminal justice purposes and liquor profits. Liquor profits and excise taxes are expected to increase in 2017. The total revenues for liquor sales activity is expected to be \$127,000 which is up from 2016 revenues by \$27,045. State Shared Revenues are forecasted based on the state forecast presented in Municipal Research and Service Center publications and research.

Cost Allocation Fees for in-direct services provided to other benefitting funds: e.g. financial services, administration and engineering services are expected to generate \$1.689 million.

Miscellaneous Revenues are projected to remain flat for 2017. Fines and penalties within the overall traffic and criminal violations as well as court recoupment are also projected to remain flat based on current activity. Interest revenues are forecasted at an expected earnings rate of 0.11%.

Interfund Transfers-In. Total 2017 expected transfer-in revenues will be \$50,000 coming from the REET Fund (#117) and are designated for park maintenance operations.

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Street Fund Revenue Overview

The Street Fund is designated as a special revenue fund with 21.1% of its revenue coming from Motor Vehicle Fuel Tax. Other revenue sources include transfers-in from the General Fund of \$720,000 and REET Fund of \$100,000.

Capital Project Fund Revenue Overview

Two capital project funds; municipal capital projects for tracking park and facility improvement projects, and Street Capital Projects for tracking transportation improvement projects, primary revenue sources include federal and state grants, inter-fund transfers from the General and Utility Enterprise Funds. Total sources coming into the Capital Projects Fund is \$3,175,500 million dollars for 2017 capital projects. The Street Capital Project Fund also receives revenue sources coming from Transportation Benefit District (TBD) funds which are voter-approved sales tax revenues specifically designated for transportation improvements.

Utility Enterprise Fund Revenue Overview

Utility revenues come in the form of bi-monthly rates and new capital and connection fees. Due to planned decreases in some utility rates and slower new construction activity the overall utility revenues are proposed to increase \$725,456 in 2017.

Internal Service Fund Revenue

Two Internal Service Funds are used to account for the operations of Fleet & Facilities maintenance and Information Services that supports the technology framework and information network of the organization. Revenue sources come from the cost allocation fees where benefiting funds pay cost allocation charges to the Internal Service Fund. Total cost allocation charges for the Fleet & Facilities Fund are anticipated to be \$922,950 an increase due to the increase in facility maintenance and fleet supply costs in 2017. The Information Services Fund is anticipated to remain the same at \$136,249.

STRATEGIC PLAN REFERENCE: City revenues support the full range of Strategic Plan initiatives.

RECOMMENDATION: That the City Council **RECEIVE** public testimony, **REVIEW** the revenue data presented and **DIRECT** staff concerning the revenue assumptions as they apply to the current budgeting process.

ATTACHMENT: None

PUBLIC HEARING 6b

Date: October 18, 2016

To: City Council

From: Jennifer Olson, Finance Director

Subject: **Establishing 2017-2019 Water, Wastewater and Stormwater Rates—
Resolution 1348**

PURPOSE: The purpose of this agenda item is for City Council to conduct a public hearing regarding Resolution 1348 (See Attachment A). The hearing to be conducted by Council will include receiving citizen testimony regarding establishment of water, wastewater, and stormwater utility rates for 2017-2019.

BACKGROUND: The City supplies water to customers and calculates consumption through water meters with readings taken bi-monthly. Wastewater charges are based on water usage with the exception of summer months where wastewater charges are based on winter use or typically known as winter average. Stormwater units are based on property size and amount of impervious surface that affects stormwater runoff. Consolidated bill statements are generated for two-months of household consumption and include charges for water, wastewater, stormwater, garbage, recycling, and yard waste.

Historically utility rates have been set in three-year cycles typically after a rate study or in-house staffing analysis has been conducted to determine the sufficiency of revenues for meeting operating expenses, operating reserve requirements, debt service obligations and the capital infrastructure costs associated with municipal water, wastewater and stormwater systems.

Water Rates

For 2017-2019 water rate setting, rates were analyzed by FCS Group as part of the study to determine feasibility of closing the water treatment facility and purchasing all water from the City of Everett. Water base and overage rates were recommended by the consultant to increase 2.25% each of the three years.

Wastewater Rates

For 2017-2019 wastewater rate setting, staff conducted in-house revenue sufficiency analysis and rate structure analysis to determine the Wastewater Utility Enterprise Fund financial condition, review debt obligations and future capital infrastructure improvements necessary to ensure that the City stays compliant with all regulatory agencies. Many workshops and discussions were conducted with the City Council starting in October of 2015 through September 2016.

Wastewater rates are proposed to decrease for the majority of all residential and commercial customers, depending on water meter size and household consumption. Based on Council direction to staff during the September 20 utility rates workshop, wastewater base and overage rates were separated for 5/8" meter customers so that the 5/8" base rate would be significantly lowered, a base rate decrease of 24.79% and overage rate increase of 28%, as a way to equalize

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the historical increases that impacted low-end consumption households. One inch and larger meters will see a 10% decrease for both the base and overage rates. This new rate structure will impact 2017 rates and no increases are planned for 2018 and 2019 of the three year rate cycle.

Stormwater Rates

For 2017-2019 stormwater rate setting, staff conducted in-house revenue sufficiency analysis to ensure that future resources are available for stormwater capital investments as well as sufficient funds for operations and maintenance. Stormwater rates are recommended to increase 2.0% each year of the three year rate cycle.

The attached Resolution 1348 gives effect to the selected water, wastewater, and stormwater rate structure for the years 2017 through 2019.

STRATEGIC PLAN REFERENCE: None

RECOMMENDATION: That the City Council **ACCEPT** public testimony and **ADOPT Resolution 1348** to set water, wastewater and stormwater rates for 2017 through 2019.

ATTACHMENT: Resolution 1348

**CITY OF SNOHOMISH
Snohomish, Washington**

RESOLUTION 1348

**A RESOLUTION OF THE CITY OF SNOHOMISH ESTABLISHING
RATES TO BE CHARGED FOR WATER, WASTEWATER, AND
STORMWATER SERVICES AND SUPERCEDING RESOLUTION 1312**

WHEREAS, the City of Snohomish provides water, wastewater, and stormwater services; and

WHEREAS, SMC 15.04.110 provides that City Council shall from time to time determine water and sewer rates to be charged for City water and sewer services; and

WHEREAS, the City Council last established water, wastewater and stormwater rates in Resolution 1312, adopted March 4, 2014; and

WHEREAS, the City of Snohomish has adopted Financial Management Policy 3.1.5.1, which requires City water, wastewater, and stormwater utilities to be self-supporting; and

WHEREAS, the City of Snohomish prepared multiple Utility Revenue Requirement Studies and analysis tools, which details the expected service revenues, operating expenditures, reserve requirements, capital requirements, system replacement requirements, and debt coverage requirements for the next ten years; and

WHEREAS, the City Council discussed utility rates in a budget workshop on October 6, 2015, that addressed the utility rate financial analysis, current debt obligations and recommendations concerning the need for long-term financial stability; and

WHEREAS, the City Council discussed wastewater utility long-term financial stability on November 3, 2015, that addressed pre-payment of the USDA outstanding debt obligations and approved Resolution 1334 authorizing the pre-payment of Water and Sewer Revenue Bond, 1981, Series 2; and

WHEREAS, the City Council discussed wastewater rates in a workshop on March 1, 2016 that addressed the financial analysis, current debt obligations and recommendations concerning the need for long-term financial stability; and

WHEREAS, the City Council discussed water rates in a workshop on May 20, 2016 and that addressed the FCS Water Rate Study as part of the planning effort to close the Water Treatment Plant in the future; and

WHEREAS, notice of a public hearing was published on September 24, 2016 and October 8, 2016 in the Everett Herald; and

WHEREAS, the City Council held a public hearing on October 18, 2016 to review the rates and revenue needs of the City's utilities; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SNOHOMISH, WASHINGTON:

Section 1. **Utility Rates Established – Resolution 1312 Superseded.** The rates set forth herein for water, wastewater, and stormwater services for all City of Snohomish utility customers are hereby established and shall be in effect as of the effective date set forth in Section 3 until modified or amended by action of the City Council, as provided by SMC 15.04.110. Resolution 1312 is hereby superseded in its entirety as of the effective date of this Resolution, and shall be of no further force or effect, provided, monies charged or due for utility services provided or charges due during the effective period of Resolution 1312 shall not be affected.

Section 2. **Definitions.** For the purpose of this resolution, the following definitions shall apply:

- a. “Quantity Allowed” means the number of hundreds of cubic feet of water that may be consumed for the monthly minimum charge.
- b. “Overage” means the water that is consumed over the quantity allowed for each meter size in a month.
- c. “Low Income Household” means a household in which the total annual income is below the very low income level for the Seattle/Everett area as established and amended by survey from time to time by the United States Department of Housing and Urban Development.
- d. “Senior Citizen” means a person 62 years of age or older.
- e. “Disabled Person” means a person with a physical or mental impairment that substantially limits one or more major life activities, such as walking, seeing, hearing, speaking, learning, performing manual tasks, caring for oneself, etcetera.
- f. “Abandoned Occupant” means an account where no usage of water (zero consumption) is anticipated for a continuous period of one-hundred and eighty (180) days or more, and where no human habitation or active business operations, other than site construction or demolition, is occurring.
- g. “Winter Average” means the average measured water consumption for the four-month period of November through February for accounts in routes 01 through 08 and the December through March time periods for accounts in routes 09-17.
- h. “Leak Adjustment Credit” means a credit applied to a customer’s account when a private water line, valve, fixture, or other appurtenance is verified to be leaking as a result of accidental damage or natural deterioration. A Leak Adjustment Credit does not mean when a private water line, valve, fixture, or other appurtenance discharges water due to its being left on by the property owner, tenant, or other person(s).

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- i. “Final Utility Billing” means a billing requested by a customer prior to the sale of real estate between billing cycles to which the utility provides service.
- j. “Unbilled Services” means an account for which the billing for services was incorrect for which the error was not immediately known and corrected.
- k. “Equivalent Residential Unit (ERU)” means the average square footage of impervious surface of a detached single family residential property, which shall be 2,500 square feet for the calculation of stormwater rates.
- l. “Single Family Residence” means a structure where a unique family unit resides for the calculation of stormwater, solid waste, and recycling rates.
- m. “Other Developed Property” means all other developed property (i.e., non-single family detached residential property) in the City whose rate shall be the base rate multiplied by the numerical factor obtained by dividing the total impervious area (square feet) of the property by one ERU. The impervious surface area for other developed property is the square footage for the buildings and other improvements on the property. One ERU shall be 2,500 square feet of impervious surface. The minimum stormwater management fee for other developed property shall equal the base rate for single family residential property.

Section 3. **Effective Dates.** The effective dates of the rates established in this resolution shall be as follows:

- a. All 2017 rates in this resolution shall be effective January 1, 2017 for all accounts in routes 01 through 08 (cycle 1); and February 1, 2017 for all accounts in routes 09 through 17 (cycle 2). All other provisions of this resolution shall be effective January 1, 2017.
- b. All 2018 rates in this resolution shall be effective January 1, 2018, for all accounts in routes 01 through 08 (cycle 1); and February 1, 2018, for all accounts in routes 09 through 17 (cycle 2). All other provisions of this resolution shall be effective January 1, 2018.
- c. All 2019 rates in this resolution shall be effective January 1, 2019, for all accounts in routes 01 through 08 (cycle 1); and February 1, 2019, for all accounts in routes 09 through 17 (cycle 2). All other provisions of this resolution shall be effective January 1, 2019.

Section 4. **Water Service Rates.** The following rates will be applied for monthly water service:

- a. Metered Water.

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1. Monthly Minimum Charges by Meter Size.

Meter Size	Quantity Allowed	2017 Monthly Base	2018 Monthly Base	2019 Monthly Base
5/8"	2	\$ 25.40	\$ 25.97	\$ 26.56
1"	5	\$ 65.01	\$ 66.47	\$ 67.97
1.5"	11.5	\$ 146.34	\$ 149.63	\$ 153.00
2"	20.5	\$ 260.12	\$ 265.97	\$ 271.96
3"	46	\$ 585.21	\$ 598.38	\$ 611.84
4"	82	\$ 1,040.32	\$ 1,063.73	\$ 1,087.66
6"	133.5	\$ 2,340.77	\$ 2,393.44	\$ 2,447.29
8"	325	\$ 4,120.98	\$ 4,213.70	\$ 4,308.51

2. Charges for Overage by Hundreds of Cubic Feet.

All amounts in excess of quantity allowed: per 100 cubic feet.

2017	2018	2019
\$ 4.68	\$ 4.79	\$ 4.89

b. Not Metered Water.

2017	2018	2019
\$ 60.69	\$ 62.06	\$ 63.45

c. Water Service Outside the City Limits. Rates for services outside of the City of Snohomish shall be City rates as adopted, plus 50 percent, rounded to the nearest \$0.05.

Section 5. Wastewater Service Rates. The following rates will be applied for monthly sewer service:

a. Metered Sewer.

1. Monthly Minimum Charges by Meter Size.

Meter Size	Quantity Allowed	2017 Monthly Base	2018 Monthly Base	2019 Monthly Base
5/8"	2	\$ 52.64	\$ 52.64	\$ 52.64
Senior Rate	4	\$ 13.16	\$ 13.16	\$ 13.16

Meter Size	Quantity Allowed	2017 Monthly Base	2018 Monthly Base	2019 Monthly Base
1"	5	\$ 161.26	\$ 161.26	\$ 161.26
1.5"	11.5	\$ 362.77	\$ 362.77	\$ 362.77
2"	20.5	\$ 645.03	\$ 645.03	\$ 645.03
3"	46	\$ 1,451.24	\$ 1,451.24	\$ 1,451.24
4"	82	\$ 2,579.95	\$ 2,579.95	\$ 2,579.95
6"	133.5	\$ 5,804.91	\$ 5,804.91	\$ 5,804.91
8"	325	\$ 8,539.41	\$ 8,539.41	\$ 8,539.41

2. Charges for Overage by Hundreds of Cubic Feet.

All amounts in excess of quantity allowed: per 100 cubic feet.

Meter Size	2017	2018	2019
5/8"	\$ 7.55	\$ 7.55	\$ 7.55
1"	\$ 5.31	\$ 5.31	\$ 5.31
1.5"	\$ 5.31	\$ 5.31	\$ 5.31
2"	\$ 5.31	\$ 5.31	\$ 5.31
3"	\$ 5.31	\$ 5.31	\$ 5.31
4"	\$ 5.31	\$ 5.31	\$ 5.31
6"	\$ 5.31	\$ 5.31	\$ 5.31
8"	\$ 5.31	\$ 5.31	\$ 5.31

b. Not Metered Wastewater. Per month.

2017	2018	2019
\$ 140.35	\$ 140.35	\$ 140.35

c. Wastewater Service Outside the City Limits. Rates for services outside the City of Snohomish shall be City rates as adopted, plus 50 percent.

Section 6. **Stormwater Service Rates.** The following rates will be applied for monthly stormwater service:

a. Residential Equivalent Unit. Per month.

2017	2018	2019
\$ 14.68	\$ 14.97	\$ 15.27

b. Impervious Surface Unit. Per month per Equivalent Residential Unit on other developed property.

2017	2018	2019
\$ 14.68	\$ 14.97	\$ 15.27

Section 7. **Low-Income Water and Sanitary Sewer Senior Citizen and Disabled Rates.**

Low-income senior citizens or low-income disabled persons who are customers of the utility shall be eligible to apply for water and wastewater services at one-quarter of the monthly minimum charges, and full charges for all overage consumption.

Low-income households in which the principal financial resources are provided by a person meeting the definition of “senior citizen” or “disabled person” may apply for the reduced rates. The application shall be made upon forms furnished by the City and approved or denied by the City Manager or his designee. Appeals of the determination of the City Manager, or his designee, shall be to the Utility Hearing Examiner. The decision of the Utility Hearing Examiner shall be final.

The City may require a customer who is receiving service at a reduced rate to provide information annually to confirm their continued eligibility for the special rate.

The reduced rate provided by this resolution shall apply only to 5/8-inch single family residential services.

Section 8. **Wastewater Winter Average Charges.** All metered wastewater accounts will have wastewater overage charges for the two summer billing cycles based on either their winter average consumption or current period consumption.

Winter average billing will be applied to wastewater overage charges for accounts in routes 01-08 for the summer billing periods of July/August, and September/October as computed from the winter period billing of November/December and January/February.

Winter average billing will be applied to wastewater overage charges for accounts in routes 09-17 for the summer billing periods of June/July, and August/September as computed from the winter billing period of December/January and February/March.

Section 9. **Abandoned Occupant Rates.** An Abandoned Occupant rate is available to customers where no usage of water (zero consumption) is anticipated for a continuous period of one-hundred and eighty (180) days or more, and where no human habitation or active business operations, other than site construction or demolition, is occurring. The Abandoned Occupant rate will only be available upon prior written notice to the City. The Abandoned Occupant rate for all meter sizes shall be as per fee schedule.

Section 10. **Rates for Unauthorized Use.** Water withdrawn without authorized service and wastewater discharged through unauthorized connections shall be charged at double the rates set forth above, from the date of the commencement of such unauthorized use, and appropriate measures shall be immediately taken to prevent

further unauthorized use. Imposition of such charges shall not act as a waiver of the City's right to take such other actions as are authorized by law.

Section 11. **Rates for Service Levels Not Defined.** The City Manager shall have the authority to charge rates for service levels not otherwise defined in this resolution under the following methodologies:

Water and Sanitary Sewer Rate Methodology – For any new account requiring a service level, defined by the meter size, not provided in this resolution, the method for determining the customer's service rate shall be the sectional area of the undefined meter size in ratio to the sectional area of a 5/8" meter. The ratio shall be applied to the determination of both the base rate and number of included units for the purposes of calculating overage charges.

Section 12. **Unbilled Services.** The City Treasurer shall be authorized to make retroactive adjustments, either billings for services or refunds for charges, for accounts in which the billing for services did not match the services provided for a period not to exceed three years. Customers of the utility have a duty to provide the City with written requests for changes in service and to review their bi-monthly billing and notify the utility of any errors or corrections.

Section 13. **Final Utility Billings.** Customers who sell real property to which the City provides utility service may request in writing, prior to the property's sale closing date, a Final Utility Bill. The City shall read the property's meter on the next proceeding Friday before the closing date and provide the customer by mail with a Final Utility Bill of all charges known to the account.

Nothing within Section 12 shall prohibit the City from collecting any outstanding balances from the property to which services have been provided as authorized by Snohomish Municipal Code 15.02.020 and RCW 60.80.020. A Final Utility Bill request shall not be considered the request for final or estimated utility bill as provided by RCW 60.80.020.

Requests for a Final Utility Bill shall be made in writing, on a form provided by the City, prior to the sale date of the property. The new property owner shall be billed on a prorated basis, based on the property's next utility meter read and the number of days for water and sanitary sewer and the number of days and extra collections for solid waste and recycling services.

The City Treasurer shall bill the property owner requesting the Final Utility Bill at the time a request is received and the meter is read. A final read fee shall be charged based on the fee schedule.

Section 14. **Leak Adjustments.** If a private water line, valve, fixture, or other appurtenance is verified to be leaking as a result of accidental damage or natural deterioration, the customer may apply for a leak adjustment credit on their current water and

PUBLIC HEARING 6b

sanitary sewer bill. Applications must be submitted in writing on a form authorized by the City Manager or designee. The customer must include on the application receipts which document the repair of the leak which shall include all billings for goods, services, labor, and materials.

The leak adjustment credit shall be determined based on the consumption billed during the same bill period in the previous year; or, if the history is not available, in a method determined by the City Manager or designee which best estimates actual water use. In determining the credit, the City may also consider water consumption from the last meter reading date. The leak adjustment credit shall be applied to overage charges for water and sewer and shall be credited \$2.34 (2017), \$2.39 (2018) and \$2.45 (2019) per overage unit for water and \$7.55 (2017), \$7.55 (2018) and \$7.55 (2019) per overage unit for 5/8" sewer and \$5.31 (2017), \$5.31 (2018) and \$5.31 (2019) per overage unit for 1" and larger sewer. In no case may an account receive a leak adjustment credit for a private water line break or leak more than once in a two-year period regardless of property ownership.

Section 15. Miscellaneous Fees. The City Treasurer shall charge fees, as established within the fee schedule for the following services:

- Late Payments – payments not received two weeks after the bill due date
- Voluntary Turn Off – requests for water shut offs during regular business hours
- Involuntary Turn Off – involuntary shut offs made for non-payment on account
- Unauthorized Turn On – service resumption made without City authorization including destruction of locking mechanisms
- After-Hours Voluntary Turn Off – voluntary service disconnections requested after regular business hours
- Meter Accuracy Testing – Requests to verify meter accuracy after dual meter reads have been conducted

Section 16. Publication. This resolution shall be published in summary in the official newspaper designated by the City following adoption of this resolution.

PASSED by the City Council and **APPROVED** by the Mayor this 18th day of October, 2016.

CITY OF SNOHOMISH

By _____
Karen Guzak, Mayor

Attest:

Approved as to form:

By _____
Pat Adams, City Clerk

By _____
Grant K. Weed, City Attorney

ACTION ITEM 7a

Date: October 18, 2016

To: City Council

From: Debbie Emge, Economic Development Manager/Interim Finance Director

Subject: **Contract with Philips Publishing for Quarterly City Magazine**

SUMMARY: This agenda item is to authorize the City Manager to sign a three-year contract with Philips Publishing, LLC (Philips) to publish a quarterly City magazine. This publication would be distributed by bulk mail on behalf of the City. It would provide information about City business, civic initiatives and events, social and cultural activities, business opportunities, and/or educational programs available to visitors and residents of the area. Philips has been publishing magazines for the maritime, tourism, and other communities since 1974. They currently publish similar city magazines for Auburn, Burien, Des Moines, Edgewood, Lakewood, Lynnwood, Normandy Park and Sedro Woolley.

BACKGROUND: Although the concept of producing a quarterly magazine was an idea that was presented by staff to the Open Government Committee, it was an initiative that the Committee supported. The Committee's final report included the magazine concept among its nine recommendations as "6) Develop and Distribute a New Citywide Magazine."

ANALYSIS: The City would be fully responsible for the content of the proposed magazine and would establish its editorial calendar. The City would approve, edit, or reject any and all proofs including all advertising, all content, all production components, and all graphics. If the contract is approved by Council, staff would bring forward a proposed set of advertising policies to ensure that Council can proactively establish advertising limitations (e.g. potentially prohibiting alcohol and tobacco or similar types of advertising) based on its view of community values. Staff would also propose the quarterly magazine editions each include a theme or major article focused on a key public issue or area of service (e.g., law enforcement/criminal justice, utilities, transportation, community planning, budget, etc.) and would also intend to bring a tentative list of such themes back to Council for its review at the same time that advertising policies are reviewed if the contract is approved. The inaugural edition is scheduled for delivery to residents on or around February 15, 2017.

A financial pro-forma has been included in Exhibit B of the PSA (Attached) for the first 8 issues (two years) of publication. The pro forma includes what Philips believes to be achievable advertising revenues based on experience with other cities and in looking at the business environment of Snohomish. Based on these projected revenues, it is budgeted that in the first year the City will incur net expenses of \$2,600 to publish the magazine. During year two it is anticipated that the publication will have net revenues of \$16,602. During this period the City will be reimbursed the initial expenses (\$2,600) and then any excess collected revenues would be distributed equally between the City and Philips.

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An important aspect of communication is evaluating the effectiveness, and the City plans to include surveys in the magazine at least annually to assist in measuring the effectiveness. Deputy Manager Steve Schuller will be leading the project and will coordinate this publication for the City.

Publication of a City magazine was a recommendation by the Open Government Committee to address the goals of being proactive in communication, accessible to the broadest possible audience, and focused on building trust and civic engagement.

BUDGETARY IMPACTS: While the pro forma (Exhibit B of the attached PSA) projects the City's first year net expenses of \$2,600 and a net revenue in year two of \$16,600, the agreement conservatively includes a City responsibility of up to \$13,500 in annual costs for the publication. This conservative annualized cost estimate is due to the fact that as an advertising program, the quarterly magazine is an untested product in the Snohomish business area. The Council would be kept apprised of actual advertising revenues during the year in order to monitor performance of this agreement and the publication's revenue success. Because this publication and the contract were approved by Council at the time the 2017 Recommended Budget was prepared, these costs would require an amendment of \$13,500 for the Non-Departmental costs to the final 2017 Budget if Council authorizes the contract.

Recommended Expenditure	Budget or Grant Sources for Expenditure	Fund Balance Impact if Approved	Budget Amendment Required
\$13,500/year	N/A From: (proposed) General Fund and Utility Funds as appropriate	To be determined once cost allocations to specific funds are determined	\$13,500 to 2017 Non-Departmental Budget

STRATEGIC PLAN REFERENCE: Not applicable. However, the publication of a quarterly magazine could support the full range of strategic plan initiatives over time.

CITY COUNCIL GOAL: Implement approved enhancements to the City's open government, public communication and civic engagement programs (related to implementation of all Strategic Plan initiatives).

RECOMMENDATION: That the City Council **AUTHORIZE** the City Manager to sign the Professional Service Agreement with Philips Publishing, LLC for publishing a quarterly magazine for three years not to exceed \$13,500 per annum.

ATTACHMENT: PSA for Consultant Services – Philips Publishing, LLC

ACTION ITEM 7a

**PROFESSIONAL SERVICES AGREEMENT BETWEEN
CITY OF SNOHOMISH
AND PHILIPS PUBLISHING GROUP
FOR CONSULTANT SERVICES
SNOHOMISH MAGAZINE**

THIS AGREEMENT ("Agreement") is made and entered into by and between the City of Snohomish, a Washington State municipal corporation ("City"), and PHILIPS PUBLISHING LLC, a Washington LLC ("Consultant" or "Philips").

NOW, THEREFORE, in consideration of the terms, conditions, covenants and performances contained herein, the parties hereto agree as follows:

ARTICLE I. PURPOSE

The purpose of this Agreement is to provide the City with consultant services regarding the creation and publication of a magazine to be distributed on behalf of the City to provide information about social activities, business opportunities, cultural activities, civic events, and/or educational programs available to visitors and residents of the area as described in Article II. The general terms and conditions of the relationship between the City and the Consultant are specified in this Agreement.

ARTICLE II. SCOPE OF SERVICES

The Scope of Services is attached hereto as Exhibit "A" and incorporated herein by this reference ("Scope of Services"). All services and materials necessary to accomplish the tasks outlined in the Scope of Services shall be provided by the Consultant unless noted otherwise in the Scope of Services or this Agreement. All such services shall be provided in accordance with the standards of the Consultant's profession.

ARTICLE III. OBLIGATIONS OF THE CONSULTANT

III.1 MINOR CHANGES IN SCOPE. The Consultant shall accept minor changes, amendments, or revision in the detail of the Scope of Services as may be required by the City when such changes will not have any impact on the service costs or proposed delivery schedule. Extra work, if any, involving substantial changes and/or changes in cost or schedules will be addressed as follows:

Extra Work. The City may desire to have the Consultant perform work or render services in connection with each project in addition to or other than work provided for by the expressed intent of the Scope of Services in the scope of services. Such work will be considered as extra work and will be specified in a written supplement to the scope of services, to be signed by both parties, which will set forth the nature and the scope thereof. All proposals for extra work or services shall be prepared by the Consultant at no cost to the City. Work under a supplemental agreement shall not be required unless by Agreement executed in writing by the parties.

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III.2 WORK PRODUCT AND DOCUMENTS. The work product and all documents produced under this Agreement shall be furnished by the Consultant to the City, and upon completion of the work shall become the property of the City, except as provided in Addendum A. The Consultant may retain one copy of the work product and documents for its records. The Consultant will be responsible for the accuracy of the work, even though the work has been accepted by the City.

Consultant will not be held liable for reuse of documents produced under this Agreement or modifications thereof for any purpose other than those authorized under this Agreement without the written authorization of Consultant.

III.3 TERM. The term of this Agreement shall commence on January 1, 2017 and shall terminate at midnight, December 31, 2019 unless terminated earlier as provided in V.2. The parties may extend the term of this Agreement by written mutual agreement.

III.4 ASSIGNABILITY. The publishing services to be provided by the Consultant may be assigned or subcontracted with 120 days written notice to the City and the express written consent of the City. Otherwise, City may give notice of termination in accordance with Section V.2

III.5 EMPLOYMENT.

a. The term “employee” or “employees” as used herein shall mean any officers, agents, or employee of the of the Consultant.

b. Any and all employees of the Consultant, while engaged in the performance of any work or services required by the Consultant under this Agreement, shall be considered employees of the Consultant only and not of the City, and any and all claims that may or might arise under the Workman's Compensation Act on behalf of any said employees while so engaged, and any and all claims made by any third party as a consequence of any negligent act or omission on the part of the Consultant or its employees while so engaged in any of the work or services provided herein shall be the sole obligation of the Consultant.

c. Consultant represents, unless otherwise indicated below, that all employees of Consultant that will provide any of the work under this Agreement have not ever been retired from a Washington State retirement system, including but not limited to Teacher (TRS), School District (SERS), Public Employee (PERS), Public Safety (PSERS), law enforcement and fire fighters (LEOFF), Washington State Patrol (WSPRS), Judicial Retirement System (JRS), or otherwise. *(Please indicate No or Yes below)*

_____ No employees supplying work have ever been retired from a Washington state retirement system.

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_____ Yes employees supplying work have been retired from a Washington state retirement system.

In the event the Consultant indicates “no”, but an employee in fact was a retiree of a Washington State retirement system, and because of the misrepresentation the City is required to defend a claim by the Washington State retirement system, or to make contributions for or on account of the employee, or reimbursement to the Washington State retirement system for benefits paid, Consultant hereby agrees to save, indemnify, defend and hold City harmless from and against all expenses and costs, including reasonable attorney’s fees incurred in defending the claim of the Washington State retirement system and from all contributions paid or required to be paid, and for all reimbursement required to the Washington State retirement system. In the event Consultant affirms that an employee providing work has ever retired from a Washington State retirement system, said employee shall be identified by Consultant, and such retirees shall provide City with all information required by City to report the employment with Consultant to the Department of Retirement Services of the State of Washington.

III.6 INDEMNITY.

a. Indemnification / Hold Harmless. The Consultant and the City each agree to defend, indemnify and hold the other party and, its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees, arising out of or resulting from the acts, errors or omissions of the responsible party arising out of or relating to its performance of this Agreement.

b. Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Consultant and the City, its officers, officials, employees, and volunteers, the Consultant's liability, including the duty and cost to defend, hereunder shall be only to the extent of the Consultant's negligence.

c. The provisions of this section shall survive the expiration or termination of this agreement.

d. For the purposes of the indemnity contained in subpart “A” of this paragraph 3.6, Consultant hereby knowing, intentionally, and voluntarily waives the immunity of the Industrial Insurance Act, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties.

_____(initials) _____(initials)

III.7 INSURANCE.

a. Minimum Limits of Insurance. The Consultant shall procure, and maintain for the duration of the Agreement, insurance against claims for injuries to

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persons or damage to property which may arise from or in connection with the performance of the work and services hereunder by the Consultant, its agents, representatives, employees or subcontractors. The Consultant shall, before commencing work under this agreement, file with the City certificates of insurance coverage and the policy endorsement to be kept in force continuously during this Agreement, in a form acceptable to the City. Said certificates and policy endorsement shall name the City, its officers, elected officials, agents and/or employees as an additional named insured with respect to all coverages except professional liability insurance and workers' compensation.

b. Minimum Scope of Insurance - Consultant shall obtain insurance of the types described below:

- (1) Automobile Liability insurance covering all owned, non-owned, hired and leased vehicles. Coverage shall be written on Insurance Services Office (ISO) form CA 00 01 or a substitute form providing equivalent liability coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage.
- (2) Commercial General Liability insurance shall be written on ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, independent contractors and personal injury and advertising injury. The City shall be named as an insured under the Consultant's Commercial General Liability insurance policy with respect to the work performed for the City.
- (3) Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.
- (4) Professional Liability insurance appropriate to the Consultant's profession.

c. The minimum insurance limits shall be as follows:

- (1) Comprehensive General Liability. \$1,000,000 combined single limit per occurrence for bodily injury personal injury and property damage; \$2,000,000 general aggregate.
- (2) Automobile Liability. \$1,000,000 combined single limit per accident for bodily injury and property damage.
- (3) Workers' Compensation. Workers' compensation limits as required by the Workers' Compensation Act of Washington.
- (4) Professional Liability/Consultant's Errors and Omissions Liability. \$1,000,000 per claim and \$1,000,000 as an annual aggregate.

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d. Notice of Cancellation. In the event that the Consultant receives notice (written, electronic or otherwise) that any of the above required insurance coverage is being cancelled and/or terminated, the Consultant shall immediately (within forty-eight (48) hours) provide written notification of such cancellation/termination to the City.

e. Acceptability of Insurers. Insurance to be provided by Consultant shall be with a current A.M.Bests rating of no less than A:VII, or if not rated by Bests, with minimum surpluses the equivalent of Bests' VII rating.

f. Verification of Coverage. In signing this agreement, the Consultant is acknowledging and representing that required insurance is active and current. Consultant shall furnish the City with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Consultant before commencement of the work. Further, throughout the term of this Agreement, the Consultant shall provide the City with proof of insurance upon request by the City.

g. Insurance shall be Primary. The Consultant's insurance coverage shall be primary insurance as respect the City. Any insurance, self-insurance, or insurance pool coverage maintained by the City shall be excess of the Consultant's insurance and shall not contribute with it.

h. No Limitation. Consultant's maintenance of insurance as required by this Agreement shall not be construed to limit the liability of the Consultant to the coverage provided by such insurance or otherwise limit the recourse to any remedy available at law or in equity.

i. Claims-made Basis. Unless approved by the City all insurance policies shall be written on an "Occurrence" policy as opposed to a "Claims-made" policy. The City may require an extended reporting endorsement on any approved "Claims-made" policy.

j. Failure to Maintain Insurance. Failure on the part of the Consultant to maintain the insurance as required shall constitute a material breach of contract, upon which the City may, after giving five business days' notice to the Consultant to correct the breach, immediately terminate the contract or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to the City on demand, or at the sole discretion of the City, offset against funds due the Consultant from the City.

III.8 DISCRIMINATION PROHIBITED AND COMPLIANCE WITH EQUAL OPPORTUNITY LEGISLATION. The Consultant agrees to comply with equal opportunity employment and not to discriminate against client, employee, or applicant for employment or for services because of race, creed, color, religion, national origin, marital status, sex, sexual orientation, age or handicap except for a bona fide occupational qualification with regard, but not limited to, the following: employment upgrading; demotion or transfer; recruitment or any

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recruitment advertising; layoff or terminations; rates of pay or other forms of compensation; selection for training, rendition of services. The Consultant further agrees to maintain (as appropriate) notices, posted in conspicuous places, setting forth the provisions of this nondiscrimination clause. The Consultant understands and agrees that if it violates this nondiscrimination provision, this Agreement may be terminated by the City, and further that the Consultant will be barred from performing any services for the City now or in the future, unless a showing is made satisfactory to the City that discriminatory practices have been terminated and that recurrence of such action is unlikely.

III.9 UNFAIR EMPLOYMENT PRACTICES. During the performance of this Agreement, the Consultant agrees to comply with RCW 49.60.180, prohibiting unfair employment practices.

III.10 LEGAL RELATIONS. The Consultant shall comply with all federal, state and local laws and ordinances applicable to work to be done under this Agreement. The Consultant represents that the firm and all employees assigned to work on any City project are in full compliance with the statutes of the State of Washington governing activities to be performed and that all personnel to be assigned to the work required under this Agreement are fully qualified and properly licensed to perform the work to which they will be assigned. This Agreement shall be interpreted and construed in accordance with the laws of Washington. Venue for any litigation commenced relating to this Agreement shall be in Snohomish County Superior Court.

III.11 INDEPENDENT CONTRACTOR.

a. The Consultant and the City understand and expressly agree that the Consultant is an independent contractor in the performance of each and every part of this Agreement. The Consultant expressly represents warrants and agrees that his status as an independent contractor in the performance of the work and services required under this Agreement is consistent with and meets the six-part independent contractor test set forth in RCW 51.08.195 or as hereafter amended. The Consultant, as an independent contractor, assumes the entire responsibility for carrying out and accomplishing the services required under this Agreement. The Consultant shall make no claim of City employment nor shall claim any related employment benefits, social security, and/or retirement benefits.

b. The Consultant shall be solely responsible for paying all taxes, deductions, and assessments, including but not limited to federal income tax, FICA, social security tax, assessments for unemployment and industrial injury, and other deductions from income which may be required by law or assessed against either party as a result of this Agreement. In the event the City is assessed a tax or assessment as a result of this Agreement, the Consultant shall pay the same before it becomes due.

c. The City may, in its' sole discretion, during the term of this Agreement, engage other independent contractors to create graphic designs promoting Snohomish, write editorial, take photographs, and produce and distribute marketing materials.

ACTION ITEM 7a

d. Prior to commencement of work, the Consultant shall obtain a business license from the City.

III.12 CONFLICTS OF INTEREST. The Consultant agrees to and shall notify the City of any potential conflicts of interest in Consultant's client base and shall obtain written permission from the City prior to providing services to third parties where a conflict or potential conflict of interest is apparent. If the City determines in its sole discretion that a conflict is irreconcilable, the City reserves the right to terminate this Agreement.

III.14 SUBCONTRACTORS/SUBCONSULTANTS.

a. The Consultant is responsible for all work performed by subcontractors/subconsultants pursuant to the terms of this Agreement and the payment thereof for such subcontractors/subconsultants

b. The Consultant must verify that any subcontractors/subconsultants they directly hire meet the responsibility criteria for the project. Verification that a subcontractor/subconsultant has proper license and bonding, if required by statute, must be included in the verification process.

ARTICLE IV. OBLIGATIONS OF THE CITY

IV.1 PAYMENTS

a. The Consultant shall be paid by the City for services rendered under this Agreement as described in the Scope of Services and as provided in this section. In no event shall the compensation paid to Consultant under this Agreement exceed \$13,500 per annum as per Exhibit A and Exhibit B without the written agreement of the Consultant and the City. Such payment shall be full compensation for work performed and services rendered and for all labor, materials, supplies, equipment and incidentals necessary to complete the work. In the event the City elects to expand the scope of services from that set forth in Exhibit A, the City shall pay Consultant a mutually agreed amount.

b. The Consultant shall submit a regular invoice to the City for services performed in the previous calendar month in a format acceptable to the City. The Consultant shall maintain expense records and provide them to the City within 10 business days of its request.

c. The City will pay timely submitted and approved invoices received before the 20th of each month within thirty (30) days of receipt.

IV.2 CITY APPROVAL. Notwithstanding the Consultant's status as an independent contractor, results of the work performed pursuant to this Agreement must meet the approval of the City, which shall not be withheld if work has been completed in compliance with the Scope of Services and City requirements.

ACTION ITEM 7a

IV.3 MAINTENANCE/INSPECTION OF RECORDS. The Consultant shall maintain all books, records, documents and other evidence pertaining to the costs and expenses allowable under this Agreement in accordance with generally accepted accounting practices. All such books and records required to be maintained by this Agreement shall be subject to inspection and audit by representatives of the City and/or the Washington State Auditor at all reasonable times, and the Consultant shall afford the proper facilities for such inspection and audit. Representatives of the City and/or the Washington State Auditor may copy such books, accounts and records where necessary to conduct or document an audit. The Consultant shall preserve and make available all such books of account and records for a period of three (3) years after final payment under this Agreement. In the event that any audit or inspection identifies any discrepancy in such financial records, the Consultant shall provide the City with appropriate clarification and/or financial adjustments within thirty (30) calendar days of notification of the discrepancy.

ARTICLE V. GENERAL

V.1 NOTICES. Notices to the City shall be sent to the following address:

Larry Bauman, City Manager
City of Snohomish
116 Union Avenue
Snohomish, WA

Notices to the Consultant shall be sent to the following address:

Peter Philips – Philips Publishing Group
2201 W Commodore Way
Seattle, WA 98199

Receipt of any notice shall be deemed effective three (3) days after deposit of written notice in the U.S. mail with proper postage and address.

V.2 TERMINATION. The right is reserved by the either party to terminate this Agreement in whole or in part at any time upon thirty (30) calendar days' written notice to the other party.

In addition Consultant/Philips reserves the right to determine that a single publication of The Magazine is unprofitable and may terminate a single publication based on such a determination. Consultant/ Philips shall give The City 30 days' notice prior to terminating a single publication and the parties may negotiate a resolution of that issue or subsequent issues at that time.

If this Agreement is terminated in its entirety by the City for its convenience, the City shall pay the Consultant for satisfactory services performed through the date of termination in accordance with payment provisions of Section VI.1.

ACTION ITEM 7a

V.3 DISPUTES. The parties agree that, following reasonable attempts at negotiation and compromise, any unresolved dispute arising under this Agreement may be resolved by a mutually agreed-upon alternative dispute resolution of binding arbitration or mediation.

V.4 EXTENT OF AGREEMENT/MODIFICATION. This Agreement, together with attachments and the Addendum, represents the entire and integrated Agreement between the parties and supersedes all prior negotiations, representations, or agreements, either written or oral. This Agreement may be amended, modified or added to only by written instrument properly signed by both parties.

V.5 SEVERABILITY

a. If a court of competent jurisdiction holds any part, term or provision of this Agreement to be illegal or invalid, in whole or in part, the validity of the remaining provisions shall not be affected, and the parties' rights and obligations shall be construed and enforced as if the Agreement did not contain the particular provision held to be invalid.

b. If any provision of this Agreement is in direct conflict with any statutory provision of the State of Washington, that provision which may conflict shall be deemed inoperative and null and void insofar as it may conflict, and shall be deemed modified to conform to such statutory provision.

V.6 NONWAIVER. A waiver by either party hereto of a breach by the other party hereto of any covenant or condition of this Agreement shall not impair the right of the party not in default to avail itself of any subsequent breach thereof. Leniency, delay or failure of either party to insist upon strict performance of any agreement, covenant or condition of this Agreement, or to exercise any right herein given in any one or more instances, shall not be construed as a waiver or relinquishment of any such agreement, covenant, condition or right.

V.7 FAIR MEANING. The terms of this Agreement shall be given their fair meaning and shall not be construed in favor of or against either party hereto because of authorship. This Agreement shall be deemed to have been drafted by both of the parties.

V.8 GOVERNING LAW. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington.

V.9 VENUE. The venue for any action to enforce or interpret this Agreement shall lie in the Superior Court of Washington for Snohomish County, Washington.

V.10 COUNTERPARTS. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same Agreement.

V.11 AUTHORITY TO BIND PARTIES AND ENTER INTO AGREEMENT. The undersigned represent that they have full authority to enter into this Agreement and to bind the parties for and on behalf of the legal entities set forth below.

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DATED this _____ day of October, 2016

CITY OF SNOHOMISH

PHILIPS PUBLISHING GROUP LLC

By: _____
Larry Bauman, City Manager

By: _____
Peter Philips, President

Attest:

Pat Adams, City Clerk

Approved as to form:

Grant K. Weed, City Attorney

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Exhibit A

Scope of Services

BACKGROUND

The City desires to better communicate with local residents and to promote activities to residents, regional visitors and other tourists. Philips/Consultant is engaged in publishing magazines and periodicals.

Philips and the City desire to create and publish a magazine to be distributed on behalf of the City to provide information about city business, civic initiatives and events, social and cultural activities, business opportunities, and/or educational programs available to visitors and residents of the area. It is hoped that the revenue to offset the costs related to the production of the magazine will be generated through the sale of advertising to businesses, entities, and/or individuals, interested in reaching City residents and other visitors to the City as may be targeted by the magazine.

1. PUBLICATION. For a period of three (3) years beginning on the Effective Date, Philips shall publish and deliver to the City a magazine (“The Magazine”) for distribution to residents of the City and to visitors. The first edition of The Magazine to be published during this period shall be the inaugural edition of The Magazine. As used in this Agreement, the term “The Magazine” includes: all graphic and production components including lithography, printing, binding, shipping, and all administrative components associated with accounting, collection of receivables and all other functions directly related to the publishing of The Magazine, all editorial content, and all proofs.

a. All expenses associated with the publication of The Magazine and the revenue generated to cover those expenses shall be managed and administered by Philips.

b. Subject to review and approval by the City, Philips will generate and manage all graphic and production components of The Magazine, including lithography, printing, binding, shipping, and all administrative components associated with accounting, collection of receivables and all other functions directly related to the publishing of The Magazine, except as otherwise provided in this Agreement. Philips shall perform these functions consistent with its ongoing operations.

c. The City will be responsible for generating and approving all editorial content, and shall be responsible for approving all graphic and production components including permissions and final proofing.

d. As set forth in Paragraph V.2 of the Agreement, The City reserves the right to determine that publication of The Magazine is unprofitable and may terminate publication based on such a determination. The City shall give Philips 30 days’

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notice prior to terminating publication and the parties may negotiate a resolution of the issue at that time frame.

2. EDITIONS AND DISTRIBUTION. Throughout the term of this Agreement, Philips shall publish at least four (4) issues of The Magazine per year, or an alternative number of editions as may be deemed appropriate by the City and agreed upon in writing by Philips. Philips shall deliver to The City a quantity of copies determined under paragraph 2 c., below.

a. Philips shall advise The City of each publication date at least three (3) months in advance. In consultation with Philips, the City will determine an initial press run for each edition and report it to Philips at least 30 days prior to the publication date for that edition.

b. The first issue will be delivered by Philips to the City on or around the 15th day of February 2017. Each subsequent issue will be delivered pursuant to an editorial calendar to be developed collaboratively by the Parties.

c. Not fewer than 30 days prior to the publication date the Parties shall agree on a reasonable number of copies for distribution to residents and potential visitors to the City for each issue.

d. It is anticipated that advertising revenues will be sufficient to cover all costs associated with publication of The Magazine; however the Parties understand that costs may at times exceed revenue. Philips will provide the City with the schedule of advertising deadlines for each issue as soon as it is developed. Within 2 business days following the advertising deadline for each issue, Philips will provide the City with a financial report identifying the amount of ad space sold for the upcoming publication and the estimated cost of the publication. Within 5 business days of receipt of the financial report the City shall notify Philips whether it wishes to suspend or delay the publication or to pay the difference between cost and revenue as described in sections d (i-iv) below:

i. Should advertising revenues be insufficient to publish any particular issue, The City will have the option not to publish that issue.

ii. Should the City elect to publish an issue that does not have revenue sufficient to cover the costs of publication, publication of that issue shall be at the City's own cost. The difference between costs and revenue shall be paid to Philips by The City. See the definition of "costs" in paragraph 8 b., below.

ACTION ITEM 7a

iii. Should the City elect to pay such costs, the City shall be repaid from net revenue from future issues before profit sharing with Philips.

iv. Should the City elect to suspend or delay publication of any issue it must compensate Philips for costs incurred through the date of suspension or delay.

3. **ADVERTISING.** Philips shall reasonably solicit advertising for The Magazine in the geographic region of the City, the Puget Sound region, and other locations that Philips and the City may deem appropriate. The advertising rates shall be at the discretion of Philips, based on production costs for The Magazine, market rates for similar advertising, rates charged by competitive publications, and projected advertising revenue. Advertising rates may be adjusted by Philips for future publications based upon market conditions to accurately reflect value of The Magazine.

- a. Advertising content will reflect acceptable standards for a family-oriented publication, and the City will have the right to reject any advertising that it deems does not meet this standard. The City shall exercise this right no later than 24 hours after receiving a proof copy of such advertising. Such determination by the City shall be final and binding.
- b. Philips shall conduct solicitation and sales activity as reasonably necessary throughout the term of this Agreement, and Philips shall fulfill its agreements to advertisers, in a commercially reasonable manner consistent with best practices and industry standards.

4. **MAGAZINE NAME.** The name of The Magazine and the right to use that name and except as provided otherwise herein, the contents of each issue of The Magazines are the sole property of the City. The City grants Philips the right to use this name and contents unconditionally for the purpose of promoting the City's interests. Notwithstanding the City's ownership of the name of The Magazine, Philips shall have the right to make use of similar names for other publications. For instance, if the City elects to name the publication which is the subject of this Agreement "What's up (CITY NAME)?" Philips shall have the right to similarly name a publication in any city other than the City, e.g. "What's up Seattle?" Philips shall own all graphic and production components and contents which are his original drafting that are not specific to the City and the methods and means associated with the general production of the Magazines. Original content which is specific to the City but which is created by Philips (by way of example, a travel section regarding Snohomish) will be owned by the City and may be used by the City for any purpose but may also be used on a limited basis by Philips for the purpose of marketing Philips services to other customers.

ACTION ITEM 7a

5. EDITORIAL CONTROL. The City is fully responsible for the content of The Magazine. The City is responsible to approve or reject any and all proofs including all advertising, all content, all production components, and all graphics. Philips shall have the limited right to reject or edit content, however The City shall make the final determination whether to include or reject content.

a. In the interest of quality, all content provided by the City may be edited for clarity, grammar, and/or accuracy in the discretion of Philips. The City shall be provided a proof as provided in paragraph 10. Within 48 hours of receipt of the proof, the City may, in its discretion, accept or decline such edits. The City's failure to decline the edits or any other content within that 48 hours shall be deemed to be acceptance of the content by the City.

6. COMPLAINTS, RESOLUTION. Philips and the City agree that it is in the interest of all parties to reasonably avoid offending any reader to the extent reasonably practicable. The City and Philips shall meet and confer on how and whether to respond to any complaints about The Magazine. All complaints regarding production of The Magazine shall be referred to and shall be handled by Philips following such consultation. Philips shall use commercially reasonable efforts to attempt to resolve any complaint that results directly from Philips' work (including that of any of Philips' vendors or contractors).

a. The City shall use reasonable efforts to attempt to resolve any complaints arising from or related to content provided by or approved by the City or for any complaints arising from or related to the City's activities or the City's performance of this Agreement. The City may elect to designate Philips to use commercially reasonable efforts to attempt to resolve any complaint with respect to any issues arising from or related to the City's performance, its acts, or omissions.

7. MEETINGS. The City and Philips shall meet as needed to discuss the editorial content of The Magazine, advertising in The Magazine, distribution of The Magazine, and other matters related to publishing The Magazine. These meetings shall be held within the geographic boundaries of the City unless a mutually determined alternative is chosen.

8. MAGAZINE PROOF. 10 days prior to publication, Philips shall provide the City a proof copy of The Magazine. The City shall have 72 hours within which to accept or reject the proof copy in whole or in part. Philips shall then be given 48 hours within which arrive at a mutually agreed resolution of any issues that the City may have with the proof copy. The City's failure to decline the edits or any other content within 48 hours thereafter shall be deemed to be acceptance of the content by the City.

ACTION ITEM 7a

EXHIBIT B

Revenues/Fees/Costs/Rates

1. DISTRIBUTION OF REVENUES.

a. “Gross collected revenue” means all monies collected by Philips as a result of advertising sales for The Magazine. “Net revenue” is revenue after payment of all costs, outside vendors, expenses of publication and distribution, commissioned sales representatives, and taxes.

b. All of the following are “costs” as that term is used in this agreement. Costs shall be paid in the following order:

i. Applicable state and federal taxes and fees, including any sales taxes that become due;

ii. Design and production of media kit (approximately \$1,500 per year) to Philips;

iii. 25% of gross revenue from advertising as a commission to Philips;

iv. Layout and design at \$135 per page (approximately \$4,320 for a 32-page magazine) to Philips;

v. \$2,000 per issue related to administrative management to Philips;

vi. Miscellaneous costs required for production and management (digital conversion, internet and/or website hosting, office supplies, etc.) to Philips;

vii. Actual costs associated with the use of outside vendors, including but not limited to: Printer, Mailer, Editor and Images, to Philips; and

viii. Direct cost to collect delinquent accounts.

c. The balance of funds collected (“net revenues”) shall be distributed equally as they are received to Philips and The City.

d. The City reserves the right to review all costs associated with the production of The Magazine including, but not limited to, Philips’ internal design and administrative costs, and all costs associated with outside vendors and sales agents that Philips may employ in the production of The Magazine. Subject to the provisions of section 2(d) of Exhibit A, Philips shall provide to The City financial reports monthly, or such longer interval as requested by the City.

2. Incorporation of Pro Forma Financials and Rates

ACTION ITEM 7a

<i>City of Snohomish Magazine Pro Forma Financials</i>		Issue #1 (est.)	Issue #2	Issue #3	Issue #4	Issue #5	Issue #6	Issue #7	Issue #8	Totals
# of Pages		16	16	16	32	32	32	32	32	
# of Mailed copies		4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	
Revenues										
Advertising Sales	\$	6,000	\$ 9,000	\$ 10,000	\$ 14,000	\$ 18,000	\$ 18,000	\$ 19,000	\$ 20,000	\$ 114,000
Total Revenues	\$	6,000	\$ 9,000	\$ 10,000	\$ 14,000	\$ 18,000	\$ 18,000	\$ 19,000	\$ 20,000	\$ 114,000
Cost of Sales										
Media kit	\$	1,500								\$ 1,500
Layout and Design @ \$135 per page	\$	2,160	\$ 2,160	\$ 2,160	\$ 4,320	\$ 4,320	\$ 4,320	\$ 4,320	\$ 4,320	\$ 28,080
Printing	\$	1,675	\$ 1,675	\$ 1,675	\$ 2,800	\$ 2,800	\$ 2,800	\$ 2,800	\$ 2,800	\$ 19,025
Mailing	\$	250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 2,000
Postage	\$	400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 3,200
Editorial Costs	\$	72	\$ 72	\$ 72	\$ 72	\$ 72	\$ 72	\$ 72	\$ 72	\$ 576
Advertising Sales Commission @ 25%*	\$	1,500	\$ 2,250	\$ 2,500	\$ 3,500	\$ 4,500	\$ 4,500	\$ 4,750	\$ 5,000	\$ 28,500
Administration	\$	2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 16,000
Flip Book	\$	205	\$ 205	\$ 205	\$ 205	\$ 205	\$ 205	\$ 205	\$ 205	\$ 1,640
Total Expenses	\$	9,762	\$ 9,012	\$ 9,262	\$ 13,547	\$ 14,547	\$ 14,547	\$ 14,797	\$ 15,047	\$ 100,521
Revenue After Expenses	\$	(3,762)	\$ (12)	\$ 738	\$ 453	\$ 3,453	\$ 3,453	\$ 4,203	\$ 4,953	\$ 13,479
Running net revenue	\$	(3,762)	\$ (3,774)	\$ (3,036)	\$ (2,583)	\$ 870	\$ 4,323	\$ 8,526	\$ 13,479	\$ 13,479

Snohomish Magazine Advertising Rates 4,000 copies

Pages	Size/position	Unit Size	Rate	# of Advertisers	Total Revenues	Ad Pages	Editorial Pages
16	OBC	1	\$1,500.00	1	\$1,500.00	1	
	IBC	1	\$1,200.00		\$0.00	0	
	IFC	1	\$1,200.00		\$0.00	0	
	full page	1	\$900.00	3	\$2,700.00	3	
	1/2 page	0.5	\$600.00	1	\$600.00	0.5	
	1/3 page	0.33	\$400.00	1	\$400.00	0.33	
	1/6 page	0.165	\$200.00	4	\$800.00	0.66	
	Total			10	\$6,000.00	5.49	10.51
32	OBC	1	\$1,500.00	1	\$1,500.00	1	
	IBC	1	\$1,200.00		\$0.00	0	
	IFC	1	\$1,200.00		\$0.00	0	
	full page	1	\$900.00	7	\$6,300.00	7	
	1/2 page	0.5	\$600.00	4	\$2,400.00	2	
	1/3 page	0.33	\$400.00	6	\$2,400.00	1.98	
	1/6 page	0.165	\$200.00	7	\$1,400.00	1.155	
	Total			25	\$14,000.00	13.14	18.87
32	OBC	1	\$1,500.00	1	\$1,500.00	1	
	IBC	1	\$1,200.00	1	\$1,200.00	1	
	IFC	1	\$1,200.00	1	\$1,200.00	1	
	full page	1	\$900.00	7	\$6,300.00	7	
	1/2 page	0.5	\$600.00	7	\$4,200.00	3.5	
	1/3 page	0.33	\$400.00	8	\$3,200.00	2.64	
	1/6 page	0.165	\$200.00	12	\$2,400.00	1.98	
	Total			37	\$20,000.00	18.12	13.88

* Resident Business Rate
Non-Resident Businesses add 40%

ACTION ITEM 7b

Date: October 18, 2016

To: City Council

From: Glen Pickus, Planning Director
Grant Weed, City Attorney

Subject: Cell Technology Legal Advice Consortium Agreement

SUMMARY: The purpose of this agenda item is for the City Council to consider authorizing the City Manager to execute a legal advice consortium agreement with the law firm of Ogden Murphy Wallace regarding small cell phone equipment installations. The City would receive cost-effective legal advice on regulating cell facilities in the right-of-way by joining the consortium. Some 16 to 22 Washington cities have joined or are expected to join the consortium in the coming weeks or months.

BACKGROUND: Mobilitie is a company that provides wireless telecommunication infrastructure to increase the data capacity of existing facilities operated by typical cell telephone carriers such as Verizon, AT&T, T-Mobile, and others. Recently, they contacted City staff about the process for locating their cell facilities in the public right-of-way. They were not specific about where they wanted to place facilities or what the facilities would look like. However, they did mention poles 80-120 feet high. Many other cities have been contacted by Mobilitie with the same questions and with the same lack of details of what they are proposing.

Ogden Murphy Wallace (OMW), a large Seattle law firm that provides services to many Washington cities, had several of its client cities contact them after they were contacted by Mobilitie. As a result, OMW formed a legal advice consortium as a cost-sharing way for their client cities to deal with Mobilitie.

OMW is now welcoming non-client cities to join the legal advice consortium. To date there are 16 cities in the consortium with the possible addition of six more (which includes Snohomish). The more cities that join the consortium, the lower each city's share of costs will be. Costs are shared equally by all member cities.

As a member of the consortium, Snohomish would receive the following benefits:

- A master use/franchise agreement template (three versions) that when finalized will have been negotiated with and approved by Mobilitie; and
- A model ordinance addressing small cell facilities (Snohomish Municipal Code doesn't currently regulate this in an effective way); and
- Legal advice/assistance specific to Snohomish if it becomes necessary in tailoring the master use agreement template or model ordinance, or in negotiating with Mobilitie or some other player; and
- Participation in conferences with the consortium attorneys and members, Mobilitie, and other players thus providing staff with a better understanding of how to deal with the issues. (City staff was allowed to attend a September 29 consortium meeting in which

ACTION ITEM 7b

representatives from Mobilitie, AT&T, Verizon, Sprint, T-Mobile and Wave gave a short presentation and answered questions).

ANALYSIS: There are three advantages to joining the Ogden Murphy Wallace consortium:

1. Cost sharing of legal fees
2. Telecommunications legal expertise
3. Increased bargaining power

By joining the consortium, the City is able to share the costs of the legal services OMW will provide. Those services include analyzing the Mobilitie request, drafting responses and documents related to that request, and negotiating with Mobilitie regarding the terms of a Master Use Right-of-way or Franchise agreement. If the City does not join the consortium and Mobilitie submits an application to place cell facilities in the right-of-way the City will bear all of those costs alone, although some costs could be recovered through various fees.

There is a \$6,000 “buy-in” fee to reimburse consortium members for fees paid to OMW for work done to date. If new cities join the consortium later, Snohomish will be reimbursed with a portion of those cities’ buy-in fee.

As OMW works on behalf of the consortium, member cities will be billed every month for their share of those costs. If there are 20 member cities, then Snohomish’s share will be 5%, which OMW estimates will be about \$1,600 per month.

Federal and State telecommunication regulations are very complex and specialized. The expertise that OMW can provide exceeds that currently available from our City Attorney. This is not to diminish the City Attorney’s skills. Rather, it acknowledges the reality that a larger firm like OMW is able to hire attorneys who can specialize in telecommunication regulations. While the City Attorney would be able to provide the necessary expertise, to do so would be more expensive than by joining the consortium.

As is the nature of similar agreements, the Master Use or Franchise agreements will be the result of negotiations between the City and the applicant (in this case Mobilitie). The City will be in a much stronger negotiating position as part of a consortium of 20 or more cities than if we were negotiating directly with Mobilitie. In effect, if Mobilitie wants to do business in much of Washington they are going to have to work with the consortium and agree to offer concessions the City may not be able to exact on our own.

It is clear to staff that by joining the consortium, the City would save money and be in a stronger position in dealing with Mobilitie. The only risk staff has identified in joining the consortium is if Mobilitie ends up not locating any facilities in Snohomish. If that happens, the money spent on the consortium might be considered “wasted” money. However, even if Mobilitie does not submit an application in Snohomish, staff does not believe the fees will be “wasted” money. It is staff’s opinion, it is always better to be proactive in situations like these rather than betting that Mobilitie will not locate here. Even without Mobilitie, the fees will not be wasted because much of the work product the City will receive through the consortium, especially the model code, will

ACTION ITEM 7b

be useful in dealing with all telecommunication facilities. At this time staff, is unable to predict the likelihood of Mobilitie ending up in Snohomish.

BUDGETARY IMPACTS: By joining the consortium, the City incurs an unbudgeted \$6,000 legal fee in 2016 and could incur some additional monthly fees. A budget amendment will be required to accommodate these unexpected legal costs. There will be ongoing fees in 2017, but those would be paid for out of the City's 2017 budget. OMW estimates the consortium member cities will end up each spending approximately \$15,000 total on this project.

STRATEGIC PLAN REFERENCE: Not applicable.

RECOMMENDATION: That the City Council **AUTHORIZE** the City Manager to sign the Mobilitie/ROW Legal Advice Consortium engagement letter with Ogden Murphy Wallace.

ATTACHMENT: Mobilitie/ROW Legal Advice Consortium engagement letter.

ACTION ITEM 7b



OGDEN MURPHY WALLACE, PLLC
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T 206.447.7000
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OMWLAW.COM

Elana R. Zana
206.442.1308
ezana@omwlaw.com

September 13, 2016

VIA US MAIL AND EMAIL

Larry Bauman, City Manager
City of Snohomish
116 Union Avenue
Snohomish, WA 98290-2943

Re: Mobilitie/ROW Legal Advice Consortium

Dear Mr. Bauman:

As you are aware, a number of cities within the Puget Sound area have been approached by Mobilitie for a franchise/master right of way permit related to Mobilitie's proposed build-out of their facilities. In addition, Mobilitie has requested the ability to place poles within the rights of way and has described a wireless backhaul service that is different than other telecommunications providers in the area. Considering the large number of cities affected by Mobilitie's request for a franchise/master right of way permit, Ogden Murphy Wallace, P.L.L.C. is forming a consortium of cities to analyze, draft and negotiate Mobilitie's request. Based on conversations with other cities, the consortium currently consists of the following cities: Mountlake Terrace, Kent, Bellevue, Redmond, Kirkland, Mukilteo, Spokane Valley, Puyallup, Gig Harbor, Ellensburg, Renton, Issaquah, Mount Vernon, Walla Walla, Bremerton, Richland, and possibly Oak Harbor, Snohomish, Tukwila, Bothell, Lake Stevens and Stanwood.

W. Scott Snyder, Elana Zana and Daniel Kenny will be the principal attorneys leading the consortium. We will keep you apprised of the progress in the matter and unless otherwise directed by the City of Snohomish, Grant Weed will be our primary point of contact.

Potential Conflict of Interest Waiver

Our Rules of Professional Conduct (the State standards governing our ethical obligations) discourage us from representing a consortium of cities unless you each consent after full disclosure. A risk of common representation is that a future conflict between the parties could arise. In the event of a future conflict, Ogden Murphy Wallace will withdraw from further representation of those cities in this matter. Obviously, we will at all times take reasonable steps to safeguard the confidentiality of all of your communications and documents.

We do not believe that our ability to represent your city in connection with this matter will be adversely affected by our representation of the other jurisdictions. We will, however, be happy to discuss any reservations that you may have regarding these matters.

ACTION ITEM 7b

Larry Bauman, City Manager

September 13, 2016

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This joint representation agreement does not preclude the individual representation of a city when addressing a concern unique to that specific city or where the city wishes to take actions independently of the others. Examples could include different procedures in city codes, attendance at a council meeting, or providing counsel on legal issues specific to a city. We will keep you informed of the progress with Mobilitie as well as decision points. You may at any point decide to continue independently of the consortium.

Legal Fees

The primary advantage of joint representation is that you will most likely save time and legal fees in having one set of lawyers analyze, draft and negotiate with Mobilitie. Additionally, the costs associated with the joint representation would be equally split between the participating cities. We estimate that Snohomish's current proportional share would be about 5 %, which would decrease with the addition of new cities. In addition, a "buy in" of Six Thousand Dollars (\$6,000) will be charged to reflect work done to date. This amount will be applied to the bills of current members. Should future members join, Snohomish will similarly receive a portion of new member's "buy ins". Upon finalizing the consortium participants we will send you a spreadsheet with a breakdown of the percentage split for each city. This spreadsheet is subject to change based on the entrance of new cities, or the decision by a city to no longer participate in the consortium. We will send an update on any change in the distribution of the costs.

The fees associated with consortium representation will be as follows:

\$450/hour for W. Scott Snyder

\$400/hour for Elana Zana

\$300/hour for Daniel Kenny

As stated above, these fees will be divided between all participating cities, so each city will only be charged a portion of this billing rate per hour. We will update you as cities join or withdraw from the consortium. Services performed by other attorneys at our firm on behalf of the consortium will be charged at billing rates between \$300- \$500, depending on the attorney. Services specific to your city, and for which your city is solely responsible, will be charged at the following rates:

\$320/hour for members

\$205/ hour for associates

We will bill you on a regular basis, normally each month, for all the time spent on your project and for other costs incurred relating to our work on your behalf. The activities for which our time will be billed will include: conference time, whether in person or on the telephone; document preparation and revision; negotiations; correspondence; staff or attorney supervision; factual and legal research and analysis; travel on your behalf; and other matters directly pertinent to and related to your matters handled by our firm. Some of our costs include an allocation for administrative services that is shared

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Larry Bauman, City Manager
September 13, 2016
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among the firm's clients. Typical of the costs for which you will be billed would be: filing fees; delivery fees; computer assisted legal research; copying; charges of outside experts and consultants; and travel.

Supervising Attorney and Assistance

As supervising attorneys, Scott and I will be responsible for seeing that the work is carried out in an efficient and economical manner. We may be assisted by other attorneys and legal assistants in our office. They are all bound to you by the same duties of loyalty and confidentiality that bind us.

Terms of Engagement

In our representation of clients, we think it is critical that our clients and the firm share the same understanding of the attorney-client relationship. To that end, you will find enclosed a copy of our Terms of Engagement. The Terms of Engagement describes more particularly how we will serve you. This engagement letter and the Terms of Engagement set forth our agreement with you. Please review both carefully and let me know whether you have any questions or comments regarding our relationship.

Other Matters

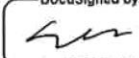
The provisions of this letter and the attached Terms of Engagement shall apply to any other work or matter for which you engage us, except to the extent contingent fees or flat fees are otherwise agreed upon.

We appreciate your expression of confidence in Ogden Murphy Wallace, P.L.L.C. and would like to assure you that we will do our best to provide you with high quality legal services. If you have any questions or concerns during the course of our relationship, we encourage you to raise them with me or our Managing Member, Geoff Bridgeman or our Client Services Member, Karen Sutherland.

Please indicate your consent to waive the potential conflict of interest and engage Ogden Murphy Wallace to represent the City of Snohomish by signing below and returning it to me (in the alternative, you may respond via e-mail). Please contact me if you have any questions. We look forward to working with you.

Very truly yours,

OGDEN MURPHY WALLACE, P.L.L.C.

DocuSigned by:

719B5677EA934C7...
Elana R. Zana

ERZ:lvs

cc: Grant Weed - Weed, Graafstra & Associates, Inc., P.S.
Accounting Department - Ogden Murphy Wallace

ACTION ITEM 7b

Larry Bauman, City Manager
September 13, 2016
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CONSENTED TO THIS ____ DAY OF _____, 2016.

CITY OF SNOHOMISH

By: Larry Bauman
Its: City Manager

ACTION ITEM 7b

OGDEN MURPHY WALLACE, P.L.L.C. TERMS OF ENGAGEMENT

General Rates

The usual basis for determining our fees is the time expended by attorneys, paralegals and legal assistants of the firm. The rates for our services may change from time to time without notice, usually in September. Our current rate schedule is always available upon request. Whenever it is appropriate, we will use associate attorneys, law clerks or legal assistants in our office to keep your costs as low as possible.

Other Factors in Rates

Although time expended and costs incurred are usually the sole basis for determining our fees, by mutual agreement billings to you for legal services may, in some instances, be based on a more comprehensive evaluation of the reasonable value of the firm's services. The firm is committed to charging reasonable fees for its services. In certain situations, factors other than the amount of time required will have a significant bearing on the reasonable value of the services performed. Such factors include: the novelty and complexity of the questions involved; the skill required to provide proper legal representation; familiarity with the specific areas of law involved; the preclusion of other engagements caused by your work; the magnitude of the matter; the results achieved; customary fees for similar legal services; time limitations imposed by you or by circumstances; and the extent to which office forms and procedures have produced a high quality product efficiently.

In circumstances where our fees will be based on or include factors other than our normal hourly charges and costs, we will notify you promptly and prior to proceeding. Any basic document fee which we may charge in your business matters has been and will be set in light of these various factors.

Billing Fees and Costs

We will bill you on a regular basis, normally each month, for all the time spent on your project and for other costs incurred relating to our work or on your behalf. The activities for which our time will be billed will include: conference time, whether in person or on the telephone; document preparation and revision; negotiations; correspondence; staff or attorney supervision; factual and legal research and analysis; travel on your behalf; and other matters directly pertinent to and related to your business and/or litigation matters handled by our firm. Typical of the costs for which you will be billed would be: filing fees; delivery fees; computer assisted legal research; copying; long distance telephone charges; charges of outside experts and consultants; and travel.

Payment; Interest

You agree to make payment within thirty (30) days of receipt of our monthly statement. Outstanding balances that are not paid when due will accrue interest at the rate of one percent compounded monthly from the date of invoice until paid.

ACTION ITEM 7b

Advance Fee Deposit

New clients are usually requested to provide an advance fee deposit to the firm. The advance fee deposit is placed in a trust account as described below, and fees and expenses for legal services are then charged against the account. Paying an advance fee deposit does not relieve the client's obligation to pay monthly invoices. If an invoice remains unpaid, the firm reserves the right to apply the advance fee deposit to the unpaid balance and require an additional advance fee deposit before commencing further work. At the conclusion of our legal representation or at such time as the deposit is unnecessary, the remaining balance or an appropriate part of it will be returned to you.

Trust Deposits

All trust deposits from you will be held in a client trust account. By court rule in Washington, funds deposited to a trust account are subject to IOLTA (Interest on Lawyers Trust Account) participation in a pooled trust account. The exception is when the deposit is large enough to earn interest in excess of bank and administrative costs, and you request that it be held in a separate account, in which case the interest earned will be added to the deposit for your benefit and will be taxable income to you. IOLTA funds are used to support law-related charitable and educational activities.

Termination

You may terminate our representation at any time, with or without cause, by notifying us. Upon such action, all fees and expenses incurred before the termination are due to the firm. If such termination occurs, your original papers will be returned to you promptly upon receipt of payment for outstanding fees and costs. If you wish to have a copy of your file at the conclusion of our representation, we will provide it to you at the current copy rate per page then in effect at this firm.

Estimates

You may, from time to time, ask us for estimates of our fees and expenses either in whole or in part. We are hesitant to give estimates because of their potential inaccuracy. However, if you require it, and if we do provide you with such estimates, they will be based upon our professional judgment, but always with a clear understanding that it is not a maximum or fixed fee quotation. We cannot guarantee that the actual fees and expenses will be at or below the estimates because of factors outside the control of the firm.

Confidentiality and Electronic Communications

We owe a duty of confidentiality to all of our clients. Accordingly, you acknowledge that we will not be required to disclose to you, or to use on your behalf, any information in our possession with respect to which we owe a duty of confidentiality to another current or former client. In addition, unless you advise us to use some other form of communication, we intend to use various communications devices in the normal course (which may include wired or wireless e-mail, cellular telephones, voice over Internet and electronic data/document web sites) to communicate with and send or make available documents to you and others. Absent special arrangements or circumstances, we do not employ encryption technologies in our electronic communications. Although there is some security risk with the current technology, we believe the benefits from using this technology outweigh the risk of accidental

ACTION ITEM 7b

disclosure. By signing this letter, you consent to the use of these communication methods without encryption.

Dispute Resolution

If you disagree with the amount of our fee, please take up the question with your principal attorney contact or with the firm's managing member. Typically such disagreements are resolved to the satisfaction of both sides with little inconvenience or formality. Any disputes relating to these Terms of Engagement or the accompanying engagement letter (collectively this "agreement") or the amount of legal fees related thereto, will be submitted to arbitration through the American Arbitration Association (the "AAA") in Seattle, Washington, according to its then-effective rules, and Ogden Murphy Wallace, P.L.L.C. and you agree to be bound by the results of such arbitration. Arbitration expenses shall be borne equally by the parties. In the event of non-payment such that we have to pursue collection of your account, you agree to pay the costs of collecting the debt, including court costs and fees, and a reasonable attorney's fee.

Withdrawal

We reserve the right to withdraw from representing you if, for any reason, our fees are not timely paid in accordance with this agreement, or for any other appropriate cause.

Disclaimer

You acknowledge that we have made no guarantees regarding the disposition, outcome, or results of your legal or business matters, and all expressions we have made relevant thereto are only our opinions as lawyers based upon the information available to us at the time. Our beginning work on your behalf will constitute your acceptance of this agreement unless we receive a written objection from you within fourteen (14) days of the date of the accompanying engagement letter.

Conclusion

Thank you for retaining our firm. We look forward to working with you.

ACTION ITEM 7b



OGDEN MURPHY WALLACE, PLLC
901 FIFTH AVENUE, SUITE 3500
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OMWLAW.COM

September 13, 2016

Larry Bauman, City Manager
City of Snohomish
116 Union Avenue
Snohomish, WA 98290-2943

BUY IN FEE DEPOSIT FOR MOBILITIE/ ROW USE AUTHORIZATION CONSORTIUM

	<u>Amount</u>
<u>Buy In Fee Deposit</u>	\$6,000.00

**Payment due upon receipt of invoice.
Please return this copy with your remittance.**

ACTION ITEM 7b

ACTION ITEM 7c

Date: October 18, 2016

To: City Council

From: Glen Pickus, Planning Director

Subject: **Application fees for Right-of-way Master Use and Franchise Agreements**

SUMMARY: Resolution 1353 creates an application fee for Right-of-way Master Use Agreements and Franchise Agreements. The fees will cover the City's costs in processing these types of applications.

BACKGROUND: The City's current fee resolution, Resolution 1340 approved February 2, 2016, does not specifically state a fee for a Franchise Application. Rather, it generally states "actual costs." While the resolution does include some application fees for right-of-way permits, it does not address Right-of-way Master Use Agreements. Those agreements will involve significantly more legal expenses than the more typical right-of-way permits.

Snohomish Municipal Code (SMC) allows for application fees. Specifically, SMC 5.06.060 (Franchise Regulations – Application) describes the application process for a Franchise and includes the statement, "The City Council shall set the application fee for franchises under this chapter by resolution. The application fee is intended to cover the City's cost associated with processing the application, including without limitation, costs of administrative review, financial, legal, and technical evaluation of the applicant, notice and publication requirements, and document preparation expenses."

Similarly, SMC 12.12.130 (Right-of-way Use Permit – Permit Fees) states, "Permits required under this ordinance shall be issued by the City Engineer upon proper application therefore and upon payment of fees to be set by separate Council resolution."

ANALYSIS: Resolution 1353 is a proactive step to have a robust application process in place should the City be approached by a wireless carrier or similar utility for placing telecommunications facilities in the public rights-of-way. With a robust application process, the City can be sure applications will receive the high level of analysis they require given the potential impacts placing facilities in the rights-of-way can have. Staff is anticipating this happening after being approached by a company called Mobilitie concerning the process for placing small cell facilities as well as poles 80-120 feet tall in the right-of-way. As a result, staff has already created a comprehensive application form to ensure the "shot clock" (the start of the period in which the City is required to process and approve/deny telecommunication applications) does not start until we have all of the necessary information to allow for a thorough analysis. The application form is the first step in implementing a robust application process.

The second step is to have application fees in place to ensure the cost of processing these types of applications are borne entirely by the applicants. There are two fees because State law does not allow cities to collect franchise fees from utilities (although the City may collect utility taxes

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from utilities). While the typical cell telephone provider is not considered a utility, Mobilitie has asserted it is a utility and thus not subject to franchise fees. Therefore, non-utilities will have to enter into a Franchise Agreement with the cities while utilities will have to enter into a Right-of-way Master Use Agreement. The application fees are based on an initial \$5,000 deposit to cover both City Attorney and staff costs. If the review of the application requires staff and legal costs less than \$5,000 the applicant will receive a refund of the unused portion of the deposit. If the review costs more than \$5,000 the applicant will have to pay the balance due before the agreement can be approved. Given the lack of precedent to use, the \$5,000 deposit is staff's best guess as to a reasonable amount to require starting the review process.

BUDGETARY IMPACTS: Approval of Resolution 1353 and the application fees it describes will ensure the General Fund does not subsidize applications for permits in which the applicants are commercial for profit enterprises.

STRATEGIC PLAN REFERENCE: Not applicable.

RECOMMENDATION: That the City Council PASS Resolution 1353 creating application fees for Franchise and Right-of-way Master Use agreements.

ATTACHMENT: Resolution 1353

ACTION ITEM 7c

**CITY OF SNOHOMISH
Snohomish, Washington**

RESOLUTION 1353

**A RESOLUTION OF THE CITY OF SNOHOMISH, WASHINGTON
ESTABLISHING AN APPLICATION FEE FOR RIGHT-OF-WAY
MASTER USE AND FRANCHISE AGREEMENTS AND AMENDING
RESOLUTION 1340**

WHEREAS, by approval of Resolution 1340 on February 2, 2016, the City Council adopted a Fee Schedule that consolidated fees, confirmed previously enacted fees and enacted other charges previously found in separate resolutions or ordinances; and

WHEREAS, pursuant to SMC 5.06.060 and SMC 12.12.130, fees for applications for franchise agreements and right-of-way use permits are authorized to be established by resolution of the City Council; and

WHEREAS, it is appropriate that the Fee Schedule be amended from time to time as the need arises to cover the costs of review and administration to a number of City functions, including, but not limited to applications for construction and related activities within City rights-of-way; and

WHEREAS, the City Council has determined that it is in the interest of the public health, safety, and welfare to amend Resolution 1340 and establish fees for review of applications for right-of-way master use and/or franchise agreements for the use of public rights-of-way in the City;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SNOHOMISH, WASHINGTON:

Section 1. Amended Fee Schedule. That portion of the schedule of fees set adopted pursuant to Resolution 1340 relating to application fees for use of the public rights-of-way is hereby amended to read as follows:

SMC	FEE TYPE	FEE AMOUNT
5.06.060	Franchise Application Fee	<u>Actual Cost</u> <ul style="list-style-type: none">– Attorney and Staff Time Deposit: \$5,000.00 (If actual cost is less than \$5,000.00 the unspent amount will be refunded to the applicant. If actual cost exceeds \$5,000.00 the applicant will be invoiced for the additional amount which shall be due within 30 days of invoice.– Fee based on staff time required: Refer to hourly schedule– Plus Attorney time: Actual amount billed to City
12.12.130	Telecommunications Right-of-Way Master Use Application Fee	<u>Actual Cost</u> <ul style="list-style-type: none">– Attorney and Staff Time Deposit: \$5,000.00 (If actual cost is less than \$5,000.00 the unspent amount will be refunded to the applicant. If actual cost exceeds \$5,000.00 the applicant will be invoiced for the additional amount which shall be due within 30 days of invoice.– Fee based on staff time required: Refer to hourly schedule– Plus Attorney time: Actual amount billed to City

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Section 2. **Effective Date.** This resolution and the schedule of fees set forth in this resolution shall become effective immediately upon passage by the City Council.

Section 3. **Incorporated into the fee schedule.** Section 1 herein shall be incorporated and merged into the fee schedule adopted by Resolution 1340.

Section 4. **Publication.** This Resolution shall be available at www.snohomishwa.gov.

Section 5. **Severability.** If any portion of this Resolution, or of the fee hereby adopted, is declared unconstitutional or otherwise unlawful, the same shall not affect the balance of the Resolution or the Fee Schedule, and the remainder of this Resolution and the Fee Schedule shall remain in full force and effect.

PASSED by the City Council and **APPROVED** by the Mayor this 18th day of October, 2016.

CITY OF SNOHOMISH

By _____
Karen Guzak, Mayor

Attest:

Approved as to form:

By _____
Pat Adams, City Clerk

By _____
Grant K. Weed, City Attorney

DISCUSSION ITEM 8

Date: October 18, 2016

To: City Council

From: Larry Bauman, City Manager

Subject: **Proposed Solid Waste Contract**

SUMMARY: The purpose of this agenda item for the City Council to review a proposed solid waste contract. The Council had previously directed staff to develop a new proposed contract between the City and Rabanco, LTD. d/b/a Allied Waste of Lynnwood (See Attachment A). The key decision is whether to negotiate an agreement with Allied Waste or seek alternate providers.

BACKGROUND: The City of Snohomish established solid waste collection and disposal as a utility in 1985 with Ordinance 1543 and mandates collection of solid waste at all residences and businesses located within the city limits as per Chapter 8.12 of the Snohomish Municipal Code. For the collection and disposal of solid waste, the City entered into a contract with our current contractor, Rabanco, LTD aka Republic (See Attachment B) in March of 2003 and has periodically extended the contractual agreement to March 31, 2017. Current solid waste contract administration and customer service is provided by the City's finance department staff. Solid waste disposal rates are charged to customers via the combined utility bill which includes water, sewer and storm water charges.

On January 19, 2016, the City Council reviewed solid waste options (See Attachment C) and directed staff to conduct a customer survey. The results of the customer survey were discussed by the City Council on May 3, 2016 (See Attachment D) and staff was directed to start negotiations on a new solid waste contract with the existing contractor, Allied Waste. A proposed contract and new rates have been offered by the contractor. However, there are facets of the contract that require City Council discussion and further direction to staff.

Main Issues:

- Should recycling services change from mandated weekly service to mandated bi-weekly service?
- Should organics recycling service be mandated weekly or bi-weekly OR should this service be a choice to customers?
- The proposed contract shifts the solid waste billing and customer service function from City staff to contractor customer service staff.
 - Staff recommends this change; however it should be noted that City staff will still remain responsible for contract administration and when there is a customer dispute with the contractor staff will be contacted to mediate issues. To cover the cost of these activities, should the City charge an administrative fee? If so, should a 1% or 2% fee be added to the proposed rates? Staff does not recommend an administrative fee as customers will still be charged the City Solid Waste Utility tax and this General Fund revenue is an ideal match for offsetting General Fund finance department staffing cost.

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- The proposed contract requires all customers to utilize a garbage tote instead of a providing a garbage can of their own. This change allows for the contractor to be more efficient with regards to timing of collections as well as safety of the drivers who no longer would need to lift heavy cans.

Rates and Comparisons

Allied Waste has offered a variety of proposed rates based on alternative levels of service as shown in Attachment E. Staff has prepared an example of a typical customer who utilizes a 32 gallon can. This example customer under the proposed new contract would convert to a 32 gallon cart provided by the contractor. The table below shows the differences in proposed rates based on levels of services. The levels of service options are:

Current Level of Service

Weekly Garbage-mandatory
Weekly Recycle-mandatory
Weekly Yard Waste-mandatory

Alternate 2 Level of Service

Weekly Garbage-mandatory
Every Other Week Recycle-mandatory
Weekly Yard Waste-optional

Alternate 1 Level of Service

Weekly Garbage-mandatory
Every Other Week Recycle-mandatory
Every Other Week Yard Waste-mandatory

Alternate 3 Level of Service

Weekly Garbage-mandatory
Weekly Recycle-mandatory
Weekly Yard Waste-optional

Typical Customer Example

32 gal Can - CONVERTS TO - 32 gal cart

Service	Current Rate Current LOS	Proposed Rate Current LOS	Proposed Rate Alt 1 LOS	Proposed Rate Alt 2 LOS*	Proposed Rate Alt 3 LOS*
Garbage (32 Gal)	15.25	14.26	14.26	14.26	14.26
Recycling	6.87	6.59	5.27	5.27	6.59
Yard Waste	10.09	9.69	7.75	11.85	11.22
Total Monthly	32.21	30.54	27.28	31.38	32.07
	\$ Chg from CRCLOS	-1.67	-4.93	-0.83	-0.14
	% Chg from CRCLOS	-5.2%	-15.3%	-2.6%	-0.4%

Comparisons	WUTC-Tariff #19
Garbage (32 Gal)	14.28
Recycling	8.82
Less: Rebate	-1.04
Yard Waste	10.35
Total Monthly	32.41

*Yard Waste is optional based on customer choice

Staff has also completed a more detailed comparison of rates with other local jurisdictions (Attachment F) in order to offer a better understanding of how the existing and proposed Snohomish rates and services would differ for these cities in Snohomish County. However, a true “apples to apples” comparison is not entirely possible due to the unique service aspects of many of these cities’ agreements.

DISCUSSION ITEM 8

STRATEGIC PLAN REFERENCE: *“High quality and sustainable city services”*

RECOMMENDATION: That the City Council **DISCUSS** solid waste collection and disposal services and **DIRECT** staff on next steps.

ATTACHMENTS:

- A. Proposed Solid Waste Contract – Allied Waste
- B. Current - Solid Waste Contract – Allied Waste
- C. Staff Report – January 19, 2016
- D. Solid Waste Customer Survey Results
- E. Proposed Rates based on Level of Service Analysis
- F. Rate comparisons with other jurisdictions

DISCUSSION ITEM 8

ATTACHMENT A

Comprehensive Garbage, Recyclables and Organics Collection Contract

**City of Snohomish
and
Rabanco Ltd. d/b/a Republic Services of Lynnwood**

_____, 2017 – _____, 20____

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This Comprehensive Garbage, Recyclables, and Organics Collection Contract (the “Contract”) is entered into by and between the City of Snohomish, a municipal corporation of the State of Washington (“City”), and Rabanco Ltd. d/b/a Republic Services of Lynnwood, a Washington Corporation (“Contractor”) to provide for collection of Garbage, Recyclables, and Organics from Single-family Residences, Multifamily Complexes, and Commercial Customers located within the City Service Area (each capitalized term is defined below).

The parties, in consideration of the promises, representations and warranties contained herein, agree as follows:

RECITALS

WHEREAS, the City wishes to control Garbage, Recyclables, and Organics collection through a contractual relationship with the Contractor; and

WHEREAS, the Contractor represents that it has the experience, resources and expertise necessary to perform the services; and

WHEREAS, the City desires to enter into this Contract with the Contractor for the Garbage, Recyclables and Organics collection services,

NOW, THEREFORE, in consideration of the mutual covenants, agreements and promises herein contained, the City and Contractor do hereby agree as follows:

DEFINITIONS.

Capitalized terms used in this Contract and not otherwise defined shall have the following meanings:

- a) **Administrative Fee:** The term “Administrative Fee” means a monthly fee remitted to the City from the Contractor.
- b) **City:** The word “City” means the City of Snohomish, Snohomish County, Washington. As used in the Contract, it includes the official of the City holding the office of City Administrator or the City’s otherwise-designated representative in relation to the exercise of the City’s rights and the performance of the City’s obligations under this Contract.
- c) **City Service Area:** The term “City Service Area” means the portion of the City subject to this Contract for services. The initial City Service Area shall be the area delineated in Attachment B.
- d) **Commercial Customer:** The term “Commercial Customer” means non-residential customers including businesses, institutions, governmental agencies and all other users of commercial-type Garbage collection services.
- e) **Contractor:** The word “Contractor” means Rabanco Ltd. d/b/a Republic Services of Lynnwood, which is contracting with the City to collect and dispose of Garbage and to collect, process, market and transport Recyclables and Organics subject to and in accordance with the terms and conditions of this Contract.
- f) **CPI Index:** The term “CPI Index” means Consumer Price Index for All Urban Consumers (CPI-U), U.S. City Average – Garbage and Trash Collection expenditure category, as published by the U.S. Department of Labor, Bureau of Labor Statistics.
- g) **Curb or Curbside:** The words “Curb” or “Curbside” mean on the homeowners’ property, within five (5) feet of the Public Street or Private Road without blocking sidewalks, driveways or on-street parking. If extraordinary circumstances preclude such a

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location, Curbside shall be considered a placement suitable to the resident, convenient to the Contractor's equipment, and mutually agreed to by the City and Contractor.

h) **Date of Commencement of Service:** The term "Date of Commencement of Service" is April 1, 2017, which is the date that the Contractor agrees to commence the provision of collection and other services as described throughout this Contract.

i) **Detachable Container:** The term "Detachable Container" means a watertight metal or plastic container equipped with a tight-fitting cover, capable of being mechanically unloaded into a collection vehicle, and that is not less than one (1) cubic yard or greater than eight (8) cubic yards in capacity.

j) **Documented Complaints:** The term "Documented Complaints" means those complaints brought to the Contractor's attention for missed collections, failure to deliver carts or containers on the agreed-upon date, failure to clean-up material spilled by the Contractor's employees, collections performed outside the allowed hours and other similar complaints to the City.

k) **Drop-box Container:** The term "Drop-box Container" means an all-metal container with capacity greater than eight (8) cubic yards that is loaded onto a specialized collection vehicle, transported to a disposal or recycling site, emptied and transported back to the customer's site.

l) **Excluded Waste:** The term "Excluded Waste" means any material waste, substance or pollutant containing any Special Waste or any Hazardous Waste, toxic substance, waste or pollutant, contaminant, pollutant, infectious waste, medical waste, or radioactive waste, each as defined by applicable federal, state or local laws or regulations, and any other materials that may not lawfully be disposed of at any landfill designated in the Snohomish County Comprehensive Solid Waste Management Plan as a disposal site used by the Snohomish County Disposal System.

m) **Foodwaste:** The word "Foodwaste" means all compostable pre- and post-consumer food scraps, such as whole or partial pieces of produce, meats, bones, [seafood](#), cheese, bread, cereals, coffee grounds and egg shells, and food-soiled paper such as paper napkins, paper towels, paper plates, coffee filters, paper take-out boxes, pizza boxes, paper milk cartons or other paper products accepted by the Contractor's selected composting site. Foodwaste shall not include dead animals, plastics, diapers, bathroom tissue, cat litter, liquid wastes, pet wastes or other materials prohibited by the selected composting facility.

n) **Garbage:** The word "Garbage" means all putrescible and nonputrescible solid and semi-solid wastes, including, but not limited to, rubbish, ashes, industrial wastes, swill, demolition and construction wastes, and discarded commodities that are placed by customers of the Contractor in appropriate bins, bags, cans or other receptacles for collection and disposal by the Contractor. The term Garbage shall not include any Excluded Waste, Hazardous Wastes, Special Wastes, Source-separated Recyclables, [Foodwaste](#) or Yard Debris.

o) **Garbage Can:** The term "Garbage Can" means a customer-owned container that is a water-tight plastic container not exceeding four (4) cubic feet or thirty-two (32) gallons in capacity; weighing not over fifteen (15) pounds when empty or sixty (60) pounds when full; fitted with two (2) looped, sturdy handles, one on each side; and fitted with a tight

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cover equipped with a handle. All containers shall be rodent and insect proof and kept in sanitary conditions at all times. This container is only to be used for Customers with monthly service.

p) **Garbage Cart:** The term “Garbage Cart” means a Contractor-provided 32-, 64- or 96-gallon wheeled cart suitable for household collection, storage and Curbside placement of Garbage. Garbage Carts shall be rodent and insect proof and kept in sanitary condition at all times.

q) **Hazardous Waste:** The term “Hazardous Waste” means any substance that is:

(A) Defined as hazardous by 40 C.F.R. Part 261 and regulated as hazardous waste by the United States Environmental Protection Agency under Subtitle C of the Resource Conservation and Recovery Act (“RCRA”) of 1976, 42 U.S.C. § 6901 et seq., as amended by the Hazardous and Solid Waste Amendments (“HSWA”) of 1984; the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq.; or any other federal statute or regulation governing the treatment, storage, handling or disposal of waste imposing special handling or disposal requirements similar to those required by Subtitle C of RCRA;

(B) Defined as dangerous or extremely hazardous by Chapter 173-303 WAC and regulated as dangerous waste or extremely hazardous waste by the Washington State Department of Ecology under the State Hazardous Waste Management Act, Chapter 70.105 RCW, or any other Washington State statute or regulation governing the treatment, storage, handling or disposal of wastes and imposing special handling requirements similar to those required by Chapter 70.105 RCW.

Likewise, any substance that after the effective date of this Contract ceases to fall within this definition as determined by the City and the Contractor shall not be deemed to be Hazardous Waste.

r) **Licensed Property:** The term “Licensed Property” means any and all Contractor equipment, vehicles, facilities and other property of any nature of which the City obtains possession under Section 4.2.

s) **Mixed Paper:** The term “Mixed Paper” means magazines, junk mail, phone books, bond or ledger grade paper, cardboard, paperboard packaging and other fiber-based materials meeting industry standards. Excluded items: Tissue paper, paper towels, used or unused toilet paper, food-contaminated paper or paper packaging combined with plastic, wax or foil.

t) **Multifamily Complex:** The term “Multifamily Complex” means all small and large complex residences consisting of all housing complexes containing five (5) or more units.

u) **Organics:** The term “Organics” means combined Yard Debris and Foodwaste, separately or combined.

v) **Organics Cart:** The term “Organics Cart” means a Contractor-provided 96-gallon wheeled cart provided to subscribing customers for the purpose of containing and collecting Yard Debris and Foodwaste.

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- 1 **w) Private Road:** The term “Private Road” means a privately owned and maintained way
2 that allows for access by a service truck and that serves multiple Residences.
- 3 **x) Public Street:** The term “Public Street” means a public right-of-way used for public
4 travel, including public alleys.
- 5 **y) Recyclables:** The word “Recyclables” means aluminum cans; corrugated cardboard;
6 glass containers; Mixed Paper; newspaper; plastic containers that have contained non-
7 hazardous products; polycoated cartons; Scrap Metals; tin cans; and such other materials
8 that the City with the Contractor’s consent (not unreasonably to be withheld) determines
9 to be marketable recyclable materials.
- 10 **z) Recycling Cart:** The term “Recycling Cart” means a Contractor-provided 64- or 96-
11 gallon wheeled cart suitable for household collection, storage and Curbside placement of
12 Source-separated Recyclables.
- 13 **aa) Recycling Container:** The term “Recycling Container” means a Contractor-provided
14 Recycling Bin, Cart or Detachable Container suitable for on-site collection, storage and
15 placement of Source-separated Recyclables at Multifamily Complexes.
- 16 **bb) Residence:** The word “Residence” means a living space individually rented, leased or
17 owned.
- 18 **cc) Scrap Metals:** The term “Scrap Metals” means ferrous and non-ferrous metals, including
19 small appliances, not to exceed two (2) feet in any direction and thirty-five (35) pounds in
20 weight per piece.
- 21 **dd) Single-family Residence:** The term “Single-family Residence” means all residences
22 containing four (4) or less units, including mobile homes, located on a Public Street or
23 Private Road, and that are not considered to be part of a Multifamily Complex.
- 24 **ee) Snohomish County Disposal System:** The term “Snohomish County Disposal System”
25 means the facilities owned, leased or contracted for by the Snohomish County Solid
26 Waste Division, Snohomish County, Washington for the handling, processing, transfer
27 and/or disposal of materials of the kind collected under this Contract, and includes such
28 additional facilities as may be authorized at any given time by the then-current
29 Snohomish County Comprehensive Solid Waste Management Plan as locations to which
30 materials of the kind collected under this Contract may be delivered for handling,
31 processing, transfer and/or disposal.
- 32 **ff) Source-separated:** The term “Source-separated” means certain recyclable materials that
33 are separated from Garbage by the generator for recycling or reuse, including, but not
34 limited to Recyclables, Organics and other materials.
- 35 **gg) Special Waste:** The term “Special Waste” means polychlorinated biphenyl (“PCB”)
36 wastes, industrial process wastes, asbestos containing materials, petroleum contaminated
37 soils, treated/de-characterized wastes, incinerator ash, medical wastes, demolition debris
38 and other materials requiring special handling in accordance with applicable federal,
39 state, county or local laws or regulations.
- 40 **hh) Surety:** The term “Surety” means the surety on the performance bond required pursuant
41 to Section 6.6.

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1 ii) **WUTC:** The term “WUTC” means the Washington Utilities and Transportation
2 Commission.

3 jj) **Yard Debris:** The term “Yard Debris” means leaves, grass and clippings of woody, as
4 well as fleshy plants. Unflocked whole holiday trees are acceptable. Materials larger than
5 four (4) inches in diameter or four (4) feet in length are excluded. Bundles of Yard Debris
6 up to two (2) feet by two (2) feet by four (4) feet in dimension shall be allowed and shall
7 be secured by degradable string or twine, not nylon or synthetic materials. Kraft paper
8 bags may be used to contain Yard Debris.

1. TERM OF CONTRACT.

11 The term of this Contract is seven years, starting on the Date of Commencement of Service and
12 ending on March 31, 2024. By mutual agreement, the parties may extend the term of this
13 Contract by two (2) extensions, each lasting two (2) years. The City or Contractor each shall
14 have the right, with or without cause, by written notice to the other party given ninety (90) days
15 prior to either of the two-year extensions to discontinue any further extensions of this Contract.
16 If either party exercises such right, the parties thereafter may extend the term of this Contract, or
17 reinstate the previous terms of this Contract, by mutual written agreement. All of the terms and
18 conditions of this Contract shall continue to apply during any extension of the term of this
19 Contract, subject to any amendments that the City and the Contractor may mutually agree upon
20 in writing.

2. SCOPE OF WORK

2.1 General Collection System Requirements

2.1.1 City Service Area

24 The Contractor shall provide all services pursuant to this Contract throughout the entire City
25 Service Area, located in Attachment B.

2.1.2 Annexation

27 If, during the term of the Contract, additional territory is added to the City through annexation or
28 other means within which the Contractor has an existing WUTC certificate or other franchise for
29 solid waste collection at the time of annexation, the Contractor shall make collection in such
30 annexed area in accordance with the provisions of this Contract at the unit prices set forth in this
31 Contract; provided however the City has also complied with RCW 35A.14.900 or RCW
32 35.13.280 and secured Contractor's concurrence therein. The City acknowledges that equipment,
33 such as trucks, carts and containers, may take time to procure, and therefore, shall not penalize
34 the Contractor for delays of up to thirty (30) days in the provision of services to annexed areas
35 due to procurement delays that are not within the control of the Contractor.

36 Annexed area customers shall receive the same containers as used elsewhere in the City, in
37 accordance with the provisions of this Contract. In the event where an annexed area is being
38 serviced with containers different from the City’s program, the Contractor shall be responsible
39 for timely customer notification, removal and recycling of existing containers and delivery of
40 appropriate containers to those customers.

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2.1.3 Site Access

Residences located in an area that does not allow safe access, turn-around or clearance for service vehicles will be provided service if materials are set out adjacent to a Public Street or Private Road.

If the Contractor believes that a Private Road cannot be safely negotiated or that providing walk-in service for Single-family Residence customers is impractical due to distance or unsafe conditions, the Contractor may request the City to evaluate on-site conditions and make a determination of the best approach for providing safe and appropriate service to the customer.

The City's decision shall be final, provided that the Contractor shall not be required to endanger workers, equipment or property.

If the Contractor believes that there is a probability of Private Road damage, the Contractor shall inform the respective customers and may require a damage waiver agreement (previously approved by the City) or decline to provide service on those Private Roads.

2.1.4 Hours/Days of Operation

All Single-family Residence collection within the City shall be made between the hours of 6:30 a.m. and 7:00 p.m. on designated consistent weekday, unless the City authorizes a temporary extension of hours or days. Commercial and Drop-Box collection may occur earlier. Saturday collection is allowed to the extent consistent with make-up collections, and holiday, inclement weather schedules and Commercial Customer preferences.

2.1.5 Employee Conduct

The Contractor's employees collecting Garbage, Recyclables and Organics shall at all times be courteous, refrain from loud, inappropriate or obscene language, exercise due care, perform their work without delay, minimize noise, and avoid damage to public or private property. If on private property, employees shall follow the regular pedestrian walkways and paths, returning to the street after replacing empty containers. Employees shall not trespass or loiter, cross flower beds, hedges or property of adjoining premises, or meddle with property that does not concern them or their task at hand. While performing work under the Contract, employees shall wear a professional and presentable uniform with a company emblem visible to the average observer. If any person employed by the Contractor to perform collection services is, in the reasonable opinion of the City, incompetent, disorderly or otherwise unsatisfactory, the City shall promptly document the incompetent, disorderly or unsatisfactory conduct in writing and transmit the documentation to the Contractor with a demand that such conduct be corrected. The Contractor shall investigate any written complaint from the City regarding any unsatisfactory performance by any of its workers. If the offending conduct is repeated, the City may require that the person be removed from all performance of additional work under this Contract. Removal shall be addressed by the Contractor immediately.

2.1.6 Disabled or Impaired Senior Citizen Special Rates and Service

The Contractor shall offer special carry-out service for Garbage, Recyclables and Organics to eligible households lacking the ability to place containers at the Curb, at no additional charge, in accordance with Snohomish Municipal Code 8.12.050(B) Special Rates are provided for low-income disabled senior citizens. The City shall provide the Contractor with a list of City-screened disabled persons quarterly, and Contractor will provide the discount the following month.

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2.1.7 Holiday Schedules The Contractor shall observe the same holiday schedule as do Snohomish County Transfer Stations (New Year's Day, Thanksgiving Day, and Christmas Day). When the day of regular collection is a Snohomish County Transfer Station holiday, the Contractor may reschedule the remainder of the week of regular collection to the next succeeding workday, which shall include Saturdays. The Contractor may not collect Residential Garbage, Recyclables or Organics earlier than the regular collection day due to a holiday. Commercial collections may be made one day early only with the consent of the Commercial Customer.

2.1.8 Inclement Weather

When weather conditions are such that continued operation would result in danger to the Contractor's staff, area residents or property, the Contractor shall collect only in areas that do not pose a danger. The Contractor shall notify the City of its collection plan for each day inclement weather is experienced as soon as practical that day.

The Contractor shall collect Garbage, Recyclables and Organics from customers with interrupted service on the customer's next regularly scheduled service. However, if such conditions continue for a second consecutive collection day or more the Contractor shall, on the first day that regular service to a customer resumes, collect reasonable accumulated volumes of materials equal to what would have been collected on the missed collection day(s) from customers at no extra charge. Following notification to the City, the Contractor will be provided temporary authorization to perform collection services after 7:00 pm in order to finish collection routes. Weather policies shall be included in program information provided to customers. On each inclement weather day, the Contractor shall release notices to the media notifying residents of the modification to the collection schedule. Additionally, information will be posted daily on the company website. When time allows, the Contractor shall utilize its reverse auto-call system to inform customers of delays and/or cancellations of service.

2.1.9 Collection from Problem Customers

The City and Contractor acknowledge that, from time to time, some customers may cause disruptions or conflicts that make continued service to that customer unreasonable. Those disruptions or conflicts may include, but not be limited to, repeated damage to Contractor-owned containers, repeated suspect claims of timely set-out followed by demands for return collection at no charge, repeated claims of Contractor damage to a customer's property, or other such problems.

The Contractor shall make every reasonable effort to provide service to those problem customers. However, if reasonable efforts to accommodate the customer and to provide services fail, the Contractor may deny or discontinue service to a problem customer, following 14 days prior written notice to the City and the customer, including the name, service address and reason for such action. The City may, at its discretion, intervene in the dispute upon receipt of an appeal from the customer. In this event, the decision of the City shall be final. The City may also require the denial or discontinuance of service to any customer who is abusing the service or is determined to be ineligible and enforce violations as per Snohomish Municipal Code 8.12.080 and 8.12.190 .

2.1.10 Missed Collections

If Garbage, Recyclables or Organics are set out inappropriately, improperly prepared or contaminated with unacceptable materials, the Contractor shall place in a prominent location a notification tag that identifies the specific problem(s) and reason(s) for rejecting the materials for collection.

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1 The failure of the Contractor to collect Garbage, Recyclables or Organics that has been set out by
2 a customer in the proper manner shall be considered a missed pick-up, and the Contractor shall
3 collect the materials from the customer before the end of the next business day. The Contractor
4 shall maintain a written record of all calls related to missed pick-ups and the response provided
5 by the Contractor. Such records shall be made available for inspection upon request by the City
6 and shall be included in monthly reports.

7 If the Contractor is requested by the customer to make a return trip due to no fault of the
8 Contractor, the Contractor shall be permitted to charge the customer an additional fee for this
9 service, provided the Contractor notifies the customer of this charge in advance.

2.1.11 Same Day Collection

11 Garbage, Recyclables and Organics collection shall occur on the same regularly scheduled day of
12 the week for Single-family Residence customers. The collection of Garbage, Recyclables and
13 Organics from Multifamily Complexes and Commercial Customers need not be scheduled on the
14 same day.

2.1.12 Requirement to Recycle and Compost

16 The Contractor shall recycle or compost all Source-separated Recyclables and Organics
17 collected, unless express prior written permission is provided by the City. The Contractor shall
18 operate its material recovery facility in a manner to ensure that processed recyclables destined
19 for market have no greater outthrows, prohibited materials or contamination than allowed under
20 current industry standards. For the purposes of evaluating this performance requirement,
21 “industry standards” shall be the current specifications issued by the Institute of Scrap Recycling
22 Industries: *Scrap Specifications Circular 2004 Guidelines for Nonferrous Scrap, Ferrous Scrap,*
23 *Glass Cullet, Paper Stock and Plastic Scrap,*” or successor circular or guidelines. The disposal
24 of contaminants separated during processing is acceptable to the extent that it is unavoidable and
25 consistent with industry standards, provided that under no circumstances shall the disposal of
26 residuals exceed five percent by weight of the total monthly quantity collected of either Source-
27 Separated Recyclables or Organics unless the Contractor can establish that such excess
28 contaminants are the result of special circumstances beyond the Contractor’s control, processing
29 of materials may result in damage to Contractor’s equipment or are caused solely by the actions
30 of generators. Disposal of contaminants shall be tracked by the Contractor as to the weight and
31 percentage of materials collected on a monthly basis and included in the monthly reports.
32 Obvious contaminants included with either Source-separated Recyclables or Organics shall not
33 be collected, and shall be left in the customer’s container with a prominently displayed
34 notification tag explaining the reason for rejection.

2.1.13 Routing, Notification and Approval

36 The Contractor shall indicate, on a map acceptable to the City, the day of the week Garbage,
37 Recyclables and Organics shall be collected from each Single-family Residence and Multifamily
38 Complex area. One hard copy of the map shall be provided to the City at the start of the Contract
39 as well as anytime a change is proposed.

40 The Contractor may change the day of collection by giving notice at least thirty (30) days prior
41 to the effective date of the proposed change to and obtaining written approval from the City. On
42 the City’s approval, the Contractor shall provide affected customers with at least fourteen (14)
43 days written notice of pending changes of collection day. The Contractor shall obtain the prior
44 written approval from the City of the notice to be given to the customer, such approval not to be
45 unreasonably withheld.

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2.1.14 Vehicle Condition

Vehicles used in the performance of this Contract shall be maintained in a clean and sanitary manner, and shall be thoroughly washed at least twice a month. All collection equipment shall have appropriate safety markings, including all highway lighting, flashing and warning lights and signals, clearance lights, and warning flags, all in accordance with current statutes, rules and regulations. Equipment shall be maintained in good condition at all times. All parts and systems of the collection vehicles shall operate properly and be maintained in a condition satisfactory to the City. The Contractor shall maintain collection vehicles to ensure that no liquid wastes (such as Garbage or Organics leachate) or oils (lubricating, hydraulic or fuel) are discharged to customer premises or City streets. Unremediated [spills](#) and failure to repair vehicle leaks shall be subject to liquidated damages. Any equipment not meeting these standards shall not be used within the City until repairs are made.

All collection vehicles shall be labeled with signs which clearly indicate the vehicle inventory number and a customer complaint telephone number. The vehicle inventory number shall be displayed adjacent to the customer complaint telephone number. Signs shall use lettering not less than four (4) inches high and shall be clearly visible from a minimum distance of twenty (20) feet. Signs, sign locations and the complaint telephone number shall be subject to approval by the City. No advertising shall be allowed on Contractor vehicles other than the Contractor's name, logo, customer service telephone number and website address. Special promotional messages may be permitted, upon the City's prior written approval.

All Contractor route, service and supervisory vehicles shall be equipped with two-way communication equipment, including all necessary licenses. The Contractor shall maintain a base station or have equipment capable of reaching all collection areas.

Contractor shall maintain maintenance records for all vehicles and equipment used in the performance of this Contract. Maintenance records shall be kept for the duration of the Contract and shall, at a minimum, include a historical log of vehicle and equipment problems, repairs, painting and maintenance activities, and for each vehicle, shall indicate the vehicle's identification number, make, model, age and mileage. Maintenance records shall be made available for review by the City upon request.

2.1.15 Container Requirements and Ownership

2.1.15.2 Garbage, Recyclables and Organics Carts

The Contractor shall provide 20-, 32-, 64- and 96-gallon Garbage Carts for the respective level of Garbage collection on request, only Contractor-issued 64- and 96-gallon Recyclables Carts, and only Contractor-issued 96-gallon Organics Carts. Cart size may vary up to 10 percent (10%). All carts shall be manufactured from a minimum of 10 percent (10%) and up to 25 percent (25%) post-consumer recycled plastic, with a lid that will accommodate a Contractor affixed screening or label. Carts shall be provided to requesting customers on the next service day, unless the request occurs the day before service, in which case it will be delivered on the subsequent service day.

All Contractor-owned wheeled carts shall: be maintained by the Contractor in good condition for material storage and handling; contain no jagged edges or holes; contain wheels or rollers for movement; and be equipped with an anti-skid device or sufficient surface area on the bottom of the container to prevent unwanted movement. The carts shall contain instructions for proper use, including any customer actions that would void manufacturer warranties (such as placement of

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hot ashes in the container causing the container to melt), and procedures to follow in order to minimize potential fire problems.

Collection crews shall note damaged hinges, holes, poorly functioning wheels and other similar repair needs on Contractor-owned carts (including those for Garbage, Recycling and Organics) and forward repair notices to the Contractor's service personnel. Cart repairs shall then be made within seven (7) days at the Contractor's expense. Any wheeled cart that is damaged or missing on account of accident, act of nature or the elements, fire, or theft or vandalism by other members of the public shall be replaced no later than seven (7) business days after notice from the customer or City. Replacement carts may be used and reconditioned, but shall be clean and appear presentable. Unusable carts shall be cleaned (if necessary) and recycled to the extent possible.

If a particular customer repeatedly damages a cart or requests more than one replacement cart during the term of the Contract due to negligence or intentional misuse, the Contractor may charge that customer for repairs.

2.1.15.3 Detachable and Drop-box Containers

The Contractor shall furnish and install 1-, 2-, 3-, 4-, 6- and 8-cubic yard Detachable Containers, and 10-, 20-, 30- and 40-cubic yard uncompacted Drop-box Containers to any customer who requires their use for storage and collection of Garbage, Recyclables or Organics within seven (7) days of the request. Containers shall be located on the premises in a manner satisfactory to the customer and for collection by the Contractor.

Detachable Containers shall be: watertight and equipped with tight-fitting metal or plastic covers; have four (4) wheels for containers 2-cubic yards and under; be in good condition for Garbage and Recyclables storage and handling; and, have no leaks, jagged edges or holes. Drop-box Containers shall be all-metal.

Containers on customers' premises are at the Contractor's risk and not the City's risk. The Contractor shall repair or replace within twenty-four (24) hours any container that was supplied by the Contractor and was in use if the City or a health department inspector determines that the container fails to comply with reasonable standards or constitutes a health or safety hazard.

Customers with Detachable or Drop-box Containers may elect to own or secure containers from other sources, and shall not be subject to discrimination by the Contractor in collection services on that account. However, containers owned or secured by customers must be capable of being serviced by front load or Drop-box Container collection vehicles to be eligible for collection.

The Contractor is not required to service customer containers that are not compatible with the Contractor's equipment.

If a particular customer repeatedly damages a container due to negligence or intentional misuse, the Contractor shall forward in writing the customer's name and address to the City. The City shall then attempt to resolve the problem. If the problem continues, the Contractor may discontinue service to that customer, on the City's prior approval.

2.1.15.4 Recycling Carts

The Contractor shall provide Recycling Carts to new customers within the City Service Area, including new residences and annexation, areas as well as replacement Carts to existing customers who request them because of loss, theft or damage. Carts shall be provided within seven (7) days of a customer request.

All Recycling Carts shall include information materials describing material preparation and collection requirements. Any materials published by the Contractor must be reviewed and

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approved by the City prior to printing and distribution by the Contractor. All Recycling Carts shall be labeled with materials preparation instructions. All Recycling Carts shall be provided at the Contractor's sole expense.

2.1.15.5 Ownership

On the termination of this Contract for any reason, all Contractor-supplied Garbage Carts, Recycling Carts and Organics Carts, detachable containers, and roll-off boxes purchased or obtained by the Contractor shall remain the property of the Contractor.

2.1.15.6 Container Labeling

Contractor-provided Recycling Carts, Organics Carts, and Garbage Carts shall be marked so as to be easily identified by commodity type [and include commodity specific collection instructions.](#)

2.1.16 Spillage

All loads collected by the Contractor shall be completely contained in collection vehicles at all times, except when material is actually being loaded [or unloaded.](#) Hoppers on all collection vehicles shall be cleared frequently to prevent the occurrence of unnecessary blowing or spillage. Any spillage of materials that occurs during collection shall be immediately cleaned up by the Contractor at its expense.

All vehicles used in the performance of this Contract shall be required to carry regularly maintained spill kits. At a minimum, spill kits shall include absorbent pads or granules, containment booms, storm drain covers, sweepers and other similar materials sufficient to contain, control and, for minor events, appropriately clean-up, blowing materials, litter, leaks and spillage of vehicle fluids and leachate. Spill kits shall also include employee spill containment instructions and procedures as well as a regularly updated list of emergency contacts. The Contractor shall develop spill response procedures for review and approval by the City before initiating any work under this Contract. All drivers shall be provided with annual training on the use of spill kits and associated containment and notification procedures.

2.1.17 Disruption Due to Construction

The City reserves the right to construct any improvement or to permit any such construction in any street or alley in such manner as the City may direct, which may have the effect for a time of preventing the Contractor from traveling the accustomed route or routes for collection. However, the Contractor shall, by the most expedient manner, continue to collect Garbage, Recyclables and Organics to the same extent as though no interference existed upon the streets or alleys normally traversed. This shall be done at no extra expense to the City or the Contractor's customers. The Contractor shall not be default under this Contract on account of a failure to collect from a Customer on any occasion on which access by Contractor's collection vehicles to the Customer's collection location as a practical matter is rendered impossible on account of any work on streets or alleys by the City. The City and Contractor will coordinate to allow the Contractor to access the affected routes at an earlier time than usual to accommodate for the disruption and ensure that all other customers are serviced in a timely manner.

2.1.18 Contractor Planning Assistance

The Contractor shall, upon request and without additional cost, make available site planning assistance to either the City and/or property owners. The site planning assistance shall be available for all new construction or remodeling of buildings and structures within the City Service Area, and shall address the design and planning of Garbage, Recyclables and Organics

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removal areas and their location upon the site of the proposed construction or remodeling project. Contractor planning assistance for optimizing loading docks and other areas shall also be available for existing building managers when realigning Garbage, Recyclables and Organics services. The City shall make its best efforts to forward permit application plans to the Contractor for prior review during the City's internal review process for construction and development permits.

2.1.19 Safeguarding Public and Private Facilities

The Contractor shall be obligated to protect all public and private improvements, facilities and utilities whether located on public or private property, including street curbs. If such improvements, facilities, utilities or curbs are damaged by reason of the Contractor's operations, the Contractor shall notify the City immediately in writing of all damage, and the Contractor shall repair or replace the same except that the Contractor's responsibility for normal wear and tear to City streets shall be limited to the payment of the Administrative Fee in accordance with Section 3.2. If the Contractor fails to do so promptly, as determined by the City, the City shall cause repairs or replacement to be made, and the cost of doing so shall be billed to the Contractor or deducted from amounts owed the Contractor under the Contract. The City shall not be liable for any damage to property or person caused by the Contractor, and the Contractor agrees to indemnify and hold the City harmless for any such damage, including costs and attorney's fees arising as a result of such damage.

2.1.20 Company Name

The Contractor shall not use a firm name containing the words "Snohomish," "City," or any words implying municipal ownership.

2.1.21 Customer Service

The Contractor shall be responsible for providing customer service functions relating to service delivery including informing customers of potential service levels and charges, receiving and resolving customer complaints, and dispatching Drop-box Containers and special collections. These functions shall be provided at the Contractor's sole expense.

2.1.21.1 Customer Service Hours

The Contractor's customer service shall be accessible by a local-prefix phone number. The Contractor's customer service hours shall be at a minimum from 8 a.m. to 5 p.m. weekdays and 8 a.m. to 4 p.m. on Saturdays, holidays exempted.

The Contractor shall maintain an emergency telephone number for use outside normal business hours. The Contractor shall have a representative or an answering service to contact such representative, available at said emergency telephone number during all hours other than normal business hours.

2.1.21.2 Customer Service Requirements

A. Service Recipient Complaints and Inquiries

During business hours, the Contractor shall maintain a complaint service and a telephone answering system capable of accepting at least four incoming calls at one time. The Contractor shall record all complaints, including date, time, complainant's name and address, if the complainant is willing to give this information, and nature, date and manner of resolution of the complaint in a computerized daily log. Any such calls received via the Contractor's answering service shall be recorded in the log the following work day. The Contractor shall make a conscientious effort to resolve all complaints within twenty-four (24) hours of the original call.

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1 The customer service log shall be available for inspection by City representatives during the
2 Contractor's office hours and shall be in a format approved by the City. The Contractor shall
3 provide a copy of this log in computerized form to the City upon request.

4 All incoming calls shall be answered promptly and courteously. A customer should be able to
5 receive recorded service information and also talk directly with a customer service representative
6 when calling the Contractor's customer service telephone number. Upon the receipt of customer
7 complaints in regards to busy signals or excessive delays in answering the telephone, the City
8 may request and the Contractor shall submit a plan to the City for correcting the problem. Once
9 the City has approved the plan, the Contractor shall have sixty (60) days to implement the
10 corrective measures. Reasonable corrective measures shall be implemented without additional
11 compensation to the Contractor.

12 The Contractor shall provide an Internet website containing collection schedules, material
13 preparation requirements, rates, inclement weather service changes, and other relevant service
14 information for its customers. The website shall include an e-mail function for customer
15 communication with the Contractor. The web page addressing City programs shall include a web
16 or e-mail link for customer complaints that is routed directly to the site or e-mail address directed
17 by the City. The website design shall be submitted for City approval prior to collection service
18 commencement.

B. Recyclables and Organics Programs

19 The Contractor's customer service representatives shall be fully knowledgeable of all collection
20 services available to Snohomish residents. For new customers, customer service representatives
21 shall explain all Garbage, Organics and Recyclables collection available. For existing customers,
22 the representatives shall resolve recycling issues, missed pickups, cart deliveries, etc. Customer
23 service representatives shall be trained to inform customers of Organics, Yard Debris and
24 Recyclables preparation specifications. City policy questions shall be forwarded to the City for
25 response.
26

C. Monitoring and Evaluation

27 The Contractor shall have a program in place to monitor and evaluate the quality of customer
28 service and to determine overall customer satisfaction with the Contractor's services. Monitoring
29 and evaluation methods should include random customer surveys, periodically monitoring
30 customer service, and other such methods. The Contractor shall work with the City to monitor
31 and ensure that high levels of customer service are demonstrated throughout the contract period.
32

2.1.22 Customer Billing Responsibilities

33 The Contractor shall be responsible for all billing functions related to the collection services
34 provided under this Contract. All Single-family Residence customers shall be billed at least
35 quarterly, and Multifamily Complex and Commercial Customers shall be billed monthly. Billing
36 and accounting costs associated with customer invoicing shall be borne by the Contractor and are
37 included in the service fees in Attachment A. The Contractor may bill to customers the late
38 payments, suspend fees, and NSF check charges included in Attachment A, as well as the costs
39 of bad debt collection.
40

41 Upon prior notice to the Contractor, customers may temporarily suspend service due to vacations
42 or other reasons for as long and as often as desired in two (2) week increments and be billed
43 prorated for actual services received. When service is temporarily suspended, the Contractor may
44 continue to bill for container rentals, if applicable.

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All Single-family Residence and Multifamily Complex Recyclables collection costs and revenues shall be included in the Garbage collection rate and shall not be charged or itemized separately. All Organics services shall be itemized and charged separately.

The Contractor shall be responsible for the following:

- Generating combined Garbage, Recyclables and Organics collection bills. Bills must include a statement indicating the customer's current service level, current charges and payments, and appropriate taxes and fees.
- Accepting, processing and posting payment data each business day.
- Maintaining a system to monitor customer subscription levels, record excess Garbage collected, place an additional charge on the customer's bill for the excess collection, and charge for additional services requested and delivered. This system shall maintain a customer's historical account data for a period of not less than three years.
- Accepting and responding to customer requests for service level changes, missed or inadequate collection services, and additional services.
- Collecting unpaid charges from customers for collection services.
- Implementing rate changes as specified in Section 3.3.
- Including lines for customer service messages on customer bills.

The Contractor shall be required to have procedures in place to back up and minimize the potential for the loss or damage of the account servicing (customer service, service levels and billing history) database.

Upon seven (7) days written notice, the Contractor shall provide the City with a paper and/or electronic copy at the City's discretion of the requested customer information and history, including but not limited to customer names, service and mailing addresses, contact information, service levels and current account status.

2.1.23 Coordination with City and Annual Performance Review

The Contractor's supervisory staff shall be available to meet with the City at the City's offices on request to discuss operational and Contract issues. The City may, at its option, conduct an annual performance review of the Contractor's performance under this Contract. City staff or contracted consultants may provide the review at the City's direction. The Contractor shall fully cooperate and assist with all aspects of the performance review, including access to route and customer service data, safety records and other applicable information.

The results of the performance review shall be presented to the Contractor and the Contractor's plan for addressing any deficiencies shall be provided to the City within two (2) weeks of the Contractor's receipt of the review. The Contractor's plan shall address the deficiencies identified by the City, and include a timeline for corrective action.

The Contractor shall continually monitor and evaluate all operations to ensure compliance with this Contract. The Contractor shall report its actual performance measures, how they compare with the City performance goals, and provide a plan and timelines for remedial measures to correct any items failing to meet the City's performance goals.

2.1.24 Disposal Requirements

All Garbage collected under this Contract, as well as residues from processing Recyclables and Organics, shall be delivered to the Snohomish County Disposal System unless otherwise agreed in writing by the City.

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2.1.25 Excluded Waste

Notwithstanding any other provision of this Contract: (a) except as otherwise required by applicable law, the Contractor shall have no obligation to inspect any material collected pursuant to this Contract; (b) if Excluded Waste is discovered before the Contractor collects it, the Contractor may refuse to collect the entire container of waste; (c) if any Excluded Waste is not discovered by the Contractor before it is collected, the Contractor may, in its sole discretion, remove, transport and dispose of such Excluded Waste at a location authorized to accept such Excluded Waste in accordance with all applicable laws and charge the customer, depositor or generator of such Excluded Waste all direct and indirect cost incurred due to removal, remediation, handling, transportation, delivery and disposal of such Excluded Waste; and (d) title to and liability for any Excluded Waste shall remain with the customer, generator or depositor and shall at no time pass to the Contractor.

2.1.26 Emergency Response

Contractor shall provide the City use of the Contractor's labor and equipment for assistance in the event of a City disaster or emergency declaration, provided such labor and equipment is available. The Contractor and City commit to developing an agreement on terms, conditions, and compensation for disaster or emergency services, not to be less than the rates in Attachment A. Contractor shall keep full and complete records and documentation of all costs incurred in connection with disaster or emergency response, and include such information in the monthly reports required under Section 2.3.2.1. The Contractor shall maintain such records and documentation in accordance with the City's prior approval and any standards established by the Federal Emergency Management Agency, and at the City's request, shall assist the City in developing any reports or applications necessary to seek assistance related to a federally-declared disaster.

2.2 Collection Services

2.2.1 Single-family Residence Garbage Collection

2.2.1.1 Subject Materials

The Contractor shall collect all Garbage placed at Curbside for disposal by Single-family Residence customers in and adjacent to Contractor-owned wheeled carts. Garbage containing Yard Debris shall not be knowingly collected and instead prominently tagged with a notice informing the customer that disposal of Yard Debris in Garbage is not legal within the City.

The Contractor shall not be required to collect hazardous materials that are either restricted from disposal or would pose a danger to collection crews. If materials are rejected for this reason, the Contractor shall leave in a prominent location a notification tag that identifies the specific problem(s) and reason(s) for rejecting the materials for collection and that provides the customer with a contact for further information about proper disposal options. Failure to provide proper notification to customers of the reason for rejecting materials for collection shall be considered a missed collection.

2.2.1.2 Containers

The customer's primary container must be a Garbage Cart. Plastic bags may only be used for excess waste, not as the customer's primary container. The Contractor may set weight limits on Garbage Carts as appropriate, provided that the weight limit is no less than the equivalent of 60 pounds per 32-gallon capacity (e.g. a 64-gallon cart would have a weight limit of 120 pounds). The Contractor may charge for overweight and oversized containers.

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Garbage Carts shall be delivered by the Contractor to Single-family Residence customers within seven (7) days of the customer's initial request.

2.2.1.3 Specific Collection Requirements

The Contractor shall offer regular weekly collection of the following service levels:

- one 20-gallon wheeled cart;
- one 32-gallon wheeled cart;
- one 64-gallon wheeled cart; and
- one 96-gallon wheeled cart.

The Contractor shall also offer monthly collection of one 32-gallon Garbage Can to customers who generate very low amounts of Garbage and are able to contain those materials in a manner which does not generate excessive odors or attract insects or animals.

Roll-out charges shall be assessed only to those customers who choose to have the Contractor move a container to reach the collection vehicle at its nearest point of access, with the exception of those disabled Customers who qualify under Section 2.1.6. Extra charges may be assessed for materials loaded so as to lift a Cart lid in excess of six (6) inches from the normally closed position. The Contractor may charge for an overweight container at the "extra" rate. The Contractor shall maintain route lists in sufficient detail to allow accurate recording and charging of all extra fees. Customers shall be allowed to specify that no "extras" be collected without prior customer notification, which shall be provided by the customer no less than twenty-four (24) hours prior to that customer's regular collection.

Collections shall be made from Single-family Residences on a regular schedule on the same day and as close to a consistent time as possible. The Contractor may tag inappropriately placed containers and may discontinue service in accordance with Section 2.1.9 in the event of persistent inappropriate container placement. The Contractor's crews shall make collections in an orderly and quiet manner, and shall return containers, in an upright position, with lids closed and attached, to their set out location and not on streets, sidewalks, or public pathways.

2.2.2 Single-family Residence Recyclables Collection

2.2.2.1 Subject Materials

The defined list of Recyclables shall be collected from all participating Single-family Residences as part of basic Recyclables collection services. The Contractor shall collect all Recyclables from Single-family Residences that are prepared as follows and uncontaminated with food or other residues:

Aluminum Cans:	All aluminum cans that are placed in the Recycling Cart or separately boxed or bundled.
Corrugated Cardboard:	All corrugated cardboard that is smaller than three (3) feet by three (3) feet, flattened and placed in or next to the customer's Recycling Cart.
Glass Containers:	All colored or clear jars and bottles that are rinsed, have lids removed and are placed in the Recycling Cart, or separately boxed or bundled. Fluorescent and incandescent light bulbs, ceramics and window glass are excluded.
Mixed Paper:	All Mixed Paper that is placed loosely in the Recycling Cart or separately bagged or bundled.
Newspaper:	All newspaper and advertising supplements that are delivered with newspapers that are placed loosely in the Recycling Cart or separately bagged or bundled.

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Plastic Containers:	All plastic bottles, jugs, containers and tubs that are flattened and placed in the Recycling Cart or separately boxed or bundled. Other plastics, automotive or other hazardous product containers, and lids are excluded.
Polycoated Cartons and Boxes:	All plastic coated and aseptic cartons and boxes that are flattened and placed in the Recycling Cart or separately bagged or bundled.
Scrap Metal:	All ferrous and non-ferrous Scrap Metal that is: placed in the Recycling Cart or separately boxed or bundled; free of wood, plastic, rubber and other contaminants; and meets the size requirements defined for Scrap Metals. Scrap metal shall include small appliances provided they meet the size requirements.
Tin Cans:	All food and beverage tin cans that are placed in the Recycling Cart or separately boxed or bundled.

2.2.2.2 Containers

The Contractor shall be responsible for ordering, assembling, affixing instructional information onto, maintaining inventories of, and distributing and maintaining Recycling Carts. The default Recycling Cart size shall be 96-gallons, provided that the Contractor shall offer and provide 64-gallon Recycling Carts on request to those residents requiring less capacity than provided by the standard 96-gallon Recycling Cart. Recycling Carts shall be labeled with recycling collection requirements in accordance with Section 2.1.15.6. Recycling Carts shall be delivered by the Contractor to new customers or those customers requesting replacements, within seven (7) days of the customer's initial request.

2.2.2.3 Specific Collection Requirements

Single-family Residence Recyclables collection shall occur weekly on the same day as each household's Garbage and Organics collection. Single-family Residence Recyclables collection shall occur during the hours and days specified in Section 2.1.4. Collections shall be made from Residences on a regular schedule on the same day and as close to a consistent time as possible. The Contractor shall collect on Public Streets and Private Roads in the same location as Garbage collection service is provided. The Contractor's crews shall make collections in an orderly and quiet manner, and shall return containers with their lids closed and attached to their set out location in an orderly manner.

The Contractor shall collect all properly prepared Single-family Residence Recyclables from Garbage customers. No limits shall be placed on set-out volumes, except in the case when extremely large quantities of commercially-generated materials are consistently set out at a Single-family Residence. In this case, the Contractor shall request the resident to use a larger Recycling Cart or use commercial recycling services for the excess volumes. If the resident continues to set out commercial quantities of Recyclables, the Contractor shall notify the City for further action. If large quantities of residentially-generated cardboard (e.g. moving boxes) are set out for collection, the Contractor may collect the excess materials the following day in a separate truck, provided that clear written notification of the collection delay is provided to the customer.

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2.2.3 Organics Collection

2.2.3.1 Subject Materials

Organics shall be collected each collection cycle from all participating Single-family Residences. Contaminated or oversized Organics materials rejected by the Contractor at the curb shall be tagged in a prominent location with an appropriate problem notice explaining why the material was rejected.

2.2.3.2 Containers

The Contractor shall be responsible for ordering, assembling, affixing instructional information onto, maintaining inventories of, and distributing and maintaining Organics Carts. Organics Carts shall be labeled with instructional information, in accordance with Section 2.1.15.6. Organics Carts shall be available in the 96-gallon size only. Only Contractor-issued carts can be used for Organics collection. Customers may request additional Organics carts for a fee; no personal containers for extra material will be allowed. Organics Carts shall be delivered by the Contractor to the customer within seven (7) days of the customer's initial request.

2.2.3.3 Specific Collection Requirements

Organics materials shall be collected weekly from all Single Family Residences on the same day as Garbage collection. The Contractor shall collect on Public Streets and Private Roads, in the same location as Garbage collection is provided. The Contractor's crews shall make collections in an orderly and quiet manner, and shall return containers in an upright position, with lids attached, to their set out location.

2.2.4 Multifamily Complex and Commercial Customer Garbage Collection

2.2.4.1 Subject Materials

The Contractor shall collect all Garbage set out for disposal by Multifamily Complex and Commercial Customers in acceptable containers as designated in Section [2.2.1](#). Garbage containing Yard Debris shall not knowingly be collected and instead prominently tagged with a notice informing the customer that disposal of Yard Debris in Garbage is not legal within the City.

The Contractor shall not be required to collect Hazardous Waste, Special Waste or other Excluded Waste or materials that are either restricted from disposal or would pose a danger to collection crews. If materials are rejected for this reason, the Contractor shall leave a notice prominently displayed with the rejected materials listing why they were not collected and provide the customer with a contact for further information on proper disposal. The Contractor shall notify the City each time a rejected notice is left at a customer's address.

2.2.4.2 Containers

The Contractor shall provide containers meeting the standards described in Section 2.1.15. Multifamily Complex and Commercial Customers shall be offered a full range of containers and service options, including Garbage Carts, and one (1) through eight (8) cubic yard containers. Materials in excess of container capacity or the subscribed service level shall be collected and properly charged as "extras" at the rates listed in Attachment A. The Contractor shall develop and maintain route lists in sufficient detail to allow accurate recording and charging of all "extras."

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The Contractor may use Detachable Containers to service Multifamily Complex and Commercial Customers. However, not all collection sites within the City Service Area may be appropriate for front-load collection due to limited maneuverability or overhead obstructions. The Contractor shall provide containers and collection services capable of servicing all customer sites. Contractor-owned containers shall be delivered by the Contractor to requesting Multifamily Complex and Commercial Customers within seven (7) days of the customer's initial request. Customers may elect to own or secure containers from other sources, and shall not be subject to discrimination by the Contractor in collection services on that account. However, containers owned or secured by customers must be capable of being serviced by front load or Drop-box Container collection vehicles to be eligible for collection. The Contractor shall provide minimum compatible container specifications for customers who elect to own or secure containers from other sources. The Contractor shall provide labels and collection service for compatible customer-owned containers. The Contractor is not required to service customer containers that are not compatible with the Contractor's equipment.

2.2.4.3 Specific Collection Requirements

Commercial Garbage collection shall be made available to Multifamily Complex and Commercial Customers daily, Monday through Friday, during the times specified in Section 2.1.4. Collection at Multifamily sites shall be limited to the same hours as Single-family Residence collection. Collections shall be made on a regular schedule on the same day and as close to a consistent time as possible to minimize customer confusion. The Contractor shall collect from areas mutually agreed upon by the Contractor and customer with the least slope and best truck access possible. Containers shall be replaced after emptying in the same location as found.

Customers may request extra collections and shall pay a proportional amount of their regular monthly rate for that service. All extra charges and fees will be listed in Attachment A.

2.2.5 Multifamily Complex Recyclables Collection

2.2.5.1 Subject Materials

The Contractor shall collect all Recyclables from Multifamily Complexes that are prepared in a manner similar to that described for Single-family Residence Recyclables in Section 2.2.2.1.

2.2.5.2 Containers

The Contractor shall be responsible for ordering, assembling, affixing instructional information onto, maintaining inventories of, and distributing and maintaining Recycling Carts. The default Recycling Cart size shall be 96-gallons, provided that the Contractor shall offer and provide 64-gallon Recycling Carts on request to those complexes requiring less capacity than provided by the standard 96-gallon Recycling Cart. Recycling Carts shall be labeled with recycling collection requirements in accordance with Section 2.1.15.6 when distributed.

At larger Multifamily Complexes, the Contractor may use Detachable Containers for recycling collection provided that they are clearly distinguished from containers used for Garbage collection and are equipped with City-approved, prominent identifying and instructional labels. Recycling Carts and containers shall be delivered by the Contractor to requesting customers within seven (7) days of the customer's initial request. Multifamily Complex Recycling Carts shall be relabeled periodically in accordance with Section 2.1.15.6.

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2.2.5.3 Specific Collection Requirements

Multifamily Complex recycling collection shall occur at least weekly or more frequently, as needed, during the hours and days specified in Section 2.1.4 for Multifamily Complex collection. Collections shall be made on a regular schedule on the same day(s) of the week to minimize customer confusion. The Contractor shall collect from areas mutually agreed upon by the Contractor and customer with the least slope and best truck access possible. Containers shall be replaced after emptying in the same location as found.

When space constraints limit the provision of containers appropriately-sized for weekly collection, the Contractor shall provide more frequent collection, as necessary, of smaller containers to provide adequate capacity for the Multifamily Complex site.

2.2.6 Multifamily Complex and Commercial Customer Organics Collection

2.2.6.1 Subject Materials

The Contractor shall provide Organics collection services to Multifamily Complex and Commercial Customers, in accordance with the service level selected by the customer and on a subscription basis and at an additional cost according to the rates in Attachment A.

Contaminated or oversized Organics materials rejected by the Contractor shall be tagged in a prominent location with an appropriate problem notice explaining why the material was rejected.

2.2.6.2 Containers

The Contractor shall be responsible for ordering, assembling, affixing instructional information onto, maintaining inventories of, and distributing and maintaining Organics Carts.

Extra Yard Debris material that does not fit in an Organics Cart is not allowed.

Organics Carts shall be delivered by the Contractor to new Multifamily Complexes or Commercial Customers within seven (7) days of the customer's initial request.

2.2.6.3 Specific Collection Requirements

Organics shall be collected from Multifamily Complex and Commercial Customers at the same frequency schedule for Single-family customers. Collections shall be made on a regular schedule on the same day(s) and as close to a consistent time as possible. Organics are only allowed in Contractor-provided carts.

The Contractor shall collect at defined Multifamily Complex or Commercial Customer container spaces. The Contractor's crews shall make collections in an orderly and quiet manner, and shall return containers with their lids closed and attached to their set out location.

2.2.7 Drop-Box Container Garbage Collection

2.2.7.1 Subject Materials

The Contractor shall provide Drop-Box Container Garbage collection services to Multifamily Complex and Commercial Customers, in accordance with the service level selected by the customer.

Garbage containing Yard Debris shall not be knowingly collected and instead prominently tagged with a notice informing the customer that disposal of Yard Debris in Garbage is not legal within the City.

The Contractor shall not be required to collect Drop-box Containers containing hazardous materials that are either restricted from disposal or would pose a danger to collection crews. If materials are rejected for this reason, the Contractor shall leave a prominently displayed notice with the rejected materials listing why they were not collected and providing the customer with a

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contact for further information on proper disposal. If a Drop-box Container customer persistently includes inappropriate materials in their containers, the Contractor shall photograph and otherwise document the inappropriate materials, and provide the customer's name and address to the City for further action.

2.2.7.2 Containers

The Contractor shall provide containers meeting the standards described in Section 2.1.15. Only Contractor-owned Drop-box Containers and Customer-owned compactors shall be serviced by the Contractor.

The Contractor shall charge a Drop-box Container delivery, unlocking and rollout fees, as listed in Attachment A, to all temporary and permanent customers on their initial delivery request.

The Contractor may charge a compactor surcharge to customers who request that the Contractor remove or reinstall hydraulic or power connections prior to or after the compactor is hauled to the disposal site. The compactor surcharge shall not be assessed in cases where the customer performs this function themselves.

Contractor-owned containers shall be delivered by the Contractor to requesting customers within seven (7) days of the customer's initial request.

2.2.7.3 Specific Collection Requirements

Multifamily Complex and Commercial Customer Drop-box Container collection must occur during the hours and days specified in Section 2.1.4. Collection of Drop-box Containers in Single-family Residence and Multifamily Complex areas and multiuse buildings containing Multifamily Complexes shall be limited to the same hours as Single-family Residence collection. The Contractor shall provide dispatch service and equipment capability to collect full Drop-box Containers no later than the next business day after the customer's initial call. The Contractor shall maintain a sufficient Drop-box Container inventory to provide empty containers to new and temporary customers within seven (7) business days after the customer's initial call.

The Contractor shall directly bill and receive payments from customers for temporary and permanent Drop-box Container hauling and rental services.

2.2.8 Temporary Detachable Container And Drop-box Service

The Contractor shall provide temporary 2-, 4-, 6- and 8-cubic yard Detachable Containers and all available Drop-box Container sizes to Single-family Residence, Multifamily Complex and Commercial Customers on an on-call basis. The charges for temporary Detachable Container service listed in Attachment A shall include collection and disposal. Delivery charges shall be itemized and charged separately.

2.2.9 Annual City Centralized Cleanup

The Contractor shall provide annually a single Annual City Centralized Cleanup event. Prior to the first such event under this Contract, the Contractor and the City will establish by written agreement the fee to be paid by the City to the Contractor for such event, such amount to be the reasonably anticipated direct costs of Contractor in providing such event (i.e., Contractor's anticipated marginal cost for labor, fuel, disposal, and other items of direct cost as a result of the event). The fee paid to Contractor for such purposes shall not exceed \$40,000 in any year; provided, however, that if the Contractor is able to demonstrate to the reasonable satisfaction of the City that the Contractor's direct costs of providing the Annual City Centralized Cleanup event in any year exceeds \$35,000, then the City and Contractor will review with each other the parameters of the event and either modify the parameters of the event so as reasonably to assure that Contractor's direct costs do not exceed \$40,000 in future years, or increase the cap on the

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1 annual amount payable to Contractor for the event so as to reasonably assure that Contractor's
2 direct costs do not exceed \$40,000 in future years, or increase the cap on the annual amount
3 payable to Contractor for the event so as to reasonably assure that that all of Contractor's direct
4 costs of providing the event will be covered. The City and the Contractor by separate written
5 agreement may arrange for additional cleanup events in any year under such terms as may be
6 agreeable to them.

7 Each Annual City Centralized Cleanup event shall be devoted to the receipt and disposal of only
8 the following categories of waste: Bulky Waste, scrap metal (excluding appliances containing
9 refrigerants), clean scrap wood, and Garbage. Participation will be limited to City residents, and
10 participants will be required to provide a government-issued identification. Each such event shall
11 occur on a mutually agreeable Saturday at a mutually agreeable location within the City and shall
12 be no more than six (6) hours in duration, with gates or other entrance closing after five and one
13 half (5-1/2) hours. Contractor shall bear all handling, hauling, disposal, and recycling expenses
14 associated with materials accepted by Contractor at the event, and shall be entitled to all
15 revenues from sales by Contractor of Recyclables accepted at the event. The City shall be
16 responsible for site preparation of the location of the event, for traffic control and flow at the
17 event, and for any cleanup at such site after the event.

2.3 Management

2.3.1 Responsibility of Participants

2.3.1.1 Contractor's Responsibilities

21 The Contractor shall be responsible for:

- 22 • Answering Customer telephone calls and email requests;
- 23 • Informing Customers of current, new, and optional services and charges;
- 24 • Handling Customer subscriptions and cancellations;
- 25 • Receiving and resolving Customer complaints;
- 26 • Dispatching Drop-box Containers, temporary containers, and special collections;
- 27 • Billing;
- 28 • Maintaining and updating regularly as necessary a user-friendly internet website;
- 29 • Assisting City staff with promotion and outreach to Single-family Residences,
30 Multifamily Complexes, Commercial Customers, and special events;
- 31 • Serving as an ombudsperson, providing quick resolution of Customer issues, complaints,
32 and inquiries;
- 33 • Assisting the city with program development and design, research, response to inquiries,
34 and troubleshooting issues;
- 35 • Collecting Garbage in the City Service Area and delivering the Garbage to the
36 Snohomish County Disposal System;
- 37 • Collecting, processing and marketing Recyclables and Organics collected by the
38 Contractor in the City Service Area;
- 39 • Providing cart and container assembly, maintenance, stickering/labeling and re-
40 stickering/labeling and delivery services listed or required in this Contract;

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- 1 • Procuring all equipment and bearing all start-up, operating and maintenance costs for
2 collection and processing or disposal of Garbage, Recyclables and Organics, including
3 proper safety equipment and insurance for vehicles and workers;
- 4 • Providing and supervising all labor to accomplish the scope of services required under
5 this Contract, including labor to collect materials, maintain equipment and provide
6 customer service functions;
- 7 • Operating a maintenance facility to house and service collection equipment and acquiring
8 all necessary land use, building, operating, and business permits and licenses;
- 9 • Submitting all informational materials for public release to the City for review and
10 approval prior to release;
- 11 • Complying with all applicable laws;
- 12 • Meeting all non-discrimination and OSHA/WISHA standards, and all environmental
13 standards and regulations;
- 14 • Providing a safe working environment and comprehensive liability insurance coverage as
15 set forth in Section 6.5, and providing proof of this insurance to the City annually;
- 16 • Providing a valid Contractor's performance and payment bond in accordance with
17 Section 6.6, and providing proof of this bond to the City annually;
- 18 • Securing the prior written approval of the City and Surety before assigning or pledging
19 money, or assigning, subcontracting or delegating duties;
- 20 • Providing route maps to the City indicating the day of week for each service;
- 21 • Submitting collection day changes to the City for review and approval prior to notice
22 being provided to customers and the change taking place;
- 23 • Submitting prompt notices to the media regarding modifications to the collection
24 schedule due to inclement weather;
- 25 • Maintaining containers, vehicles and facilities in a clean, properly labeled and sanitary
26 condition;
- 27 • Meeting all City reporting, inspection and review requirements;
- 28 • Providing operating and safety training for all personnel, including spill response training
29 for all drivers; and
- 30 • Notifying the City of intended material changes in management affecting Contractor's
31 operations under this Contract not less than sixty (60) days prior to the date of change.
32 New management shall also attend an introductory meeting scheduled by the City during
33 the sixty (60) day notification period. Exception shall be made for termination for cause
34 or voluntary termination in which case Contractor shall notify the City as soon as is
35 possible.

2.3.1.2 City's Responsibilities

36 The City shall be responsible for:

- 37 • Overall project administration and final approval of Contractor services and activities;

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- 1 • Reviewing and approving Contractor compensation adjustments due to changes in
2 County disposal fees or price indices;
- 3 • Monitoring and evaluating collection operations with the cooperation and assistance of
4 the Contractor;
- 5 • Reviewing and approving collection days and route changes;
- 6 • Reviewing and approving holiday schedule changes;
- 7 • Reviewing and approving all written or other informational materials used by the
8 Contractor;
- 9 • Conducting performance reviews of the Contractor with the Contractor's cooperation and
10 assistance;
- 11 • Directing and overseeing public education and outreach with the cooperation and
12 assistance of the Contractor; and
- 13 • Holding periodic operations meetings with the Contractor, as necessary.

2.3.2 Reporting

15 The Contractor shall provide monthly and ad hoc reports to the City. In addition, the Contractor
16 shall allow City staff access to pertinent customer service and operations information related to
17 compliance with the obligations of the Contract, such as disposal facility certified weight slips
18 and vehicle maintenance logs.

2.3.2.1 Monthly Reports

20 On a monthly basis, by the last day of each month, the Contractor shall provide a report
21 containing information for the previous month. Reports shall be submitted in electronic
22 [Microsoft Excel compatible](#) format and shall include:

23 A compilation of program participation statistics including: the number of garbage collection
24 customers by sector and service level, a summary of multi-family and commercial participation
25 in recycling programs, for residential Garbage, Organics and Recyclables collection services;
26 Missed collections;

27 A summary of disabled Customers receiving the service under Section 2.1.5;

28 A compilation of total monthly and year-to-date summaries of Garbage, Recyclables and
29 Organics quantities by collection within City Service Area; and

30 A description of any vehicle accidents or infractions within City Service Area.

2.3.2.2 Ad Hoc Reports

32 The City may request from the Contractor up to three (3) ad-hoc reports each year, at no
33 additional cost to the City. Reports shall be provided in a mutually agreeable format, such as
34 Excel or Word. Contractor shall not be obligated without a written arrangement with the City for
35 additional appropriate compensation to expend more than twenty (20) staff hours per year to
36 complete ad-hoc reports provided for by this section.

2.3.3 Promotion and Education

38 The Contractor shall have primary responsibility for developing, designing and executing overall
39 public promotion, education and outreach programs, with the assistance and cooperation of the
40 City.

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2.3.4 Field Monitoring

The City may periodically monitor collection system parameters such as participation, container condition, contents weights, waste composition and customer satisfaction. The Contractor shall assist the City by coordinating the Contractor's operations with the City's field monitoring to minimize inconvenience to customers, the City and the Contractor.

3. COMPENSATION

3.1 Compensation to the Contractor

3.1.1 Payment for Services

The Contractor shall be responsible for billing and collecting funds from Customers in accordance with the charges for services listed in Attachment A. The Contractor may reduce or waive at its option, but shall not exceed, the charges listed in Attachment A. In no event shall the City be responsible for money that the Contractor, for whatever reason, is unable to collect from a Customer.

In the event that a Customer places Excluded Materials or Unacceptable Materials in a Container and the Contractor collects those materials inadvertently and incurs extraordinary expenses dealing with those materials, the Contractor may charge the Customer the actual costs of managing those materials, as approved by the City. Actual costs shall include additional transportation, handling and disposal costs incurred by the Contractor for handling only those specific materials traceable to that Customer.

In the event that the Contractor or a Customer desires solid waste-related services not specifically addressed in this Contract, the Contractor shall propose service parameters and a rate the City in writing, based on the average of surrounding WUTC tariffs if such service is addressed in current tariffs.

Upon the City's written approval, the Contractor may provide the requested services. In no case shall the Contractor provide unauthorized services or charge unauthorized rates.

3.1.2 Discontinuing Service for Nonpayment

The Contractor may use any legal means, including appropriate lien rights, to enforce Customer payment obligations and may discontinue service and recover Containers from non-paying Customers provided that such Customers are provided with ten (10) days prior written notice that service will be discontinued for non-payment. Non-paying Customers shall continue to be billed for the minimum level of service for their Customer type pursuant to the City's mandatory collection ordinance. Contractor may remove all Containers from non-paying Customers.

The Contractor may charge the rate listed in Attachment A for cart redelivery fees to Customers who want to restart service who have previously had their service terminated for nonpayment and had carts removed. The cart redelivery fee shall be applied as a flat charge, regardless of the number of carts delivered (e.g., Garbage, Recyclables and Organics).

3.2 Compensation to the City

The rates charged in Attachment A and as modified in accordance with Section 3.3 of this Contract include a ____ percent (____%) Administrative Fee imposed by the City, and the Contractor shall remit the City quarterly for the amount billed.

The County disposal fee as it exists on the date of execution or as thereafter modified shall be itemized separately on Customer invoices with charges for Drop-box Container service. The Contractor shall charge Drop-box Customers the actual disposal cost plus ten percent (10%) to reflect the Contractor's costs and margin related to handling the pass-through disposal component.

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3.3 Rate Modification

Annual modification of the Contractor's collection service charges will be based on changes in the CPI Index.

Contractor shall increase the rates for service effective on each anniversary of the Effective Date of this Agreement in an amount equal to the percentage increases in the Consumer Price Index for *All Urban Consumers (Garbage and Trash Collection Services)* U.S. City Average, as published by United States Department of Labor, Bureau of Statistics (the "CPI"). Rates will be adjusted using the October CPI compared to the 12 months preceding.

Adjustments to the Contractor's collection service charge shall be made in units of one cent (\$0.01). Fractions less than one cent (\$0.01) shall not be considered when making adjustments.

The Contractor shall submit to the City for review and approval a rate adjustment statement, calculating the new rates for the next year in which a CPI Index adjustment is scheduled, on or by February 1st of each year, starting February 1, 2018. The City shall have thirty (30) days to approve or disapprove the new rates; provided, however, that the City may not disapprove a CPI Index increase unless the Rate Adjustment Statement contains errors of calculations. On City approval, the new rates shall take effect on April 1st of that year, and customers shall be notified by February 15th, thirty (30) days prior to the new rate.

3.3.1 Disposal Fee and Yard Waste Processing Fee Adjustments

Periodic adjustments shall be made to Contractor collection rates to reflect increases or decreases in disposal fees for solid waste. These changes shall be made automatically. The Contractor shall notify the City of any changes to the solid waste fees within 5 (five) business days of notification from Snohomish County.

If the Contractor becomes subject to any material increase in the fees payable by Contractor to any unaffiliated operator or any composting or other processing facility to which Contractor delivers Foodwaste, Yard Wastes or other source-separated compostable materials collected by Contractor under this Contract resulting from any change in the federal, state or local laws, rules and/or regulations affecting the operator's facilities, operations or permits having an adverse financial impact on the operator, the Contractor may increase the rates charged by Contractor for collection of such materials to the extent necessary to pass such increase through to Customers. Any such increase, however, shall be subject to City administrative approval, which shall not unreasonably be withheld or denied. Contractor shall furnish the City with all reasonably requested information necessary in order for the City to evaluate the reasonableness of any such requested increase.

3.3.2 Changes in Disposal or Organics Processing Sites

Should the Contractor be required by the City or other governmental authority to use disposal or Organics processing sites other than those being used at the initiation of this Contract, the Contractor shall submit a detailed proposal for the adjustment of the rates to reflect any additional cost or savings to the Contractor. The City and Contractor agree to negotiate in good faith any changes to the rates to offset these costs or savings.

3.3.3 Other Modifications

The Contractor shall not adjust or modify rates due to employee wage increases, the value of Recyclables, Garbage collection service level shifts, or other changes affecting the collection system other than provided for under Section 3.3.

3.4 Change in Law

Changes in federal, State or local laws or regulations or a continuing force majeure that result in a detrimental change in circumstances or a material hardship for the Contractor in performing

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this Contract may be the subject of a request by the Contractor for a rate adjustment, subject to review and approval by the City, at the City's reasonable discretion. If the City requires review of financial or other proprietary information in conducting its rate review, at the request of the Contractor, the City shall retain a third-party to review such information at the Contractor's expense, and may take any other steps it deems appropriate to protect the confidential nature of Contractor's documents and preserve the Contractor's ongoing ability to remain competitive. The City may, from time to time, impose utility or other taxes that shall be assessed and payable as directed by City ordinance. If new City, County or State taxes are imposed or the rates of existing taxes are changed after the execution date of this Contract, and the impact of these changes results in increased or decreased Contractor costs, the Contractor's rates under this Contract shall be adjusted so as to pass through the full amount of the increase or decrease in Contractor's costs of providing service under this Contract attributable to the tax increase or decrease.

4. FAILURE TO PERFORM, REMEDIES, TERMINATION

The City expects high levels of customer service and collection service provision. Performance failures shall be discouraged, to the extent possible, through liquidated damages for certain infractions and through Contract default for more serious lapses in service provision. Section 4.1 details infractions subject to liquidated damages and Section 4.2 details default provisions and procedures.

4.1 Liquidated Damages

The Contractor may be subject to liquidated damages for the following acts or omissions if documented in an incident report presented by the City to the Contractor. The City reserves the right to make periodic, unscheduled inspection visits or use other means to determine the Contractor's compliance with the Contract. Liquidated damages may include, but are not limited to:

Action or Omission	Liquidated Damages
Collection before or after the times specified in Section 2.1.4, except as expressly permitted.	Twenty-five dollars (\$25) per incident (each truck on each route is a separate incident).
Failure to collect missed materials by the end of the next business day after notification.	Fifteen dollars (\$15) per incident, not to exceed ten (10) complaints per truck per day.
In areas 300 feet from residential-zoned section operating between 7:00 p.m. and 6:30 a.m.	Twenty-five dollars (\$25) per incident
Repetition of complaints on a route after notification, including, but not limited to replacing lids or detachable containers in designated locations, spilling, not closing gate, crossing planted areas, or similar violations.	Five dollars (\$5) per incident, not to exceed ten (10) complaints per truck per day.
Intentional misrepresentation by the Contractor in records or reporting.	One hundred dollars (\$100) per incident.
Failure to make required reports on time.	Fifty dollars (\$50) per incident.
Failure to maintain clean and sanitary vehicles.	Fifty dollars (\$50) per incident, up to maximum of two hundred dollars (\$200) per inspection.
Landfilling or incineration of uncontaminated loads of Recyclables or Organics without the	Five hundred dollars (\$500) per vehicle, per incident, with no maximum.

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Action or Omission	Liquidated Damages
express written permission of the City.	
Failure to send instructional/promotional materials when new accounts are established.	Fifty dollars (\$50) per incident, with no maximum.

Liquidated damages, if assessed during a given month, shall be invoiced by the City to the Contractor. Liquidated damages may be levied only if documented in an incident report presented by the City to the Contractor. The Contractor shall be notified and provided a copy of an incident report and shall be given 24 hours to respond to the incident report before liquidated damages are invoiced to the Contractor. The Contractor shall be required to pay the City the invoiced amount within thirty (30) days of billing.

In the event of a labor disruption, the Contractor and the City agree that the Contractor shall not accrue any performance fees during the first five (5) business days of the labor disruption, in conjunction with Section 6.17.

Any fine may be appealed by the Contractor to the City, provided that the appeal is received by the City no later than 10 days after notification to the Contractor. The Contractor shall be allowed to present evidence as to why the fine should be lessened or eliminated. The decision of the City, unless arbitrary and capricious, shall be final.

4.2 Contract Default

If the Contractor abandons or violates a material portion of this Contract, fails to fully and promptly comply with material obligations, and fails to provide the City with a satisfactory reason for such noncompliance, then the City shall give the Contractor ten (10) days' notice and may declare the Contractor to be in default of this Contract. If, however, the Contractor cures the stated reason within the ten (10) day period, or initiates efforts satisfactory to the City to remedy the stated reason and the efforts continue in good faith, then the default shall be cured. If within ten (10) days following a written notice by the City to the Contractor of a material default in the Contractor's performance of this Contract, the Contractor fails either to provide a reasonably satisfactory explanation for the default or initiate reasonably satisfactory efforts to cure, then the City by further written notice to Contractor may terminate this Contract. A copy of said notice shall be sent to the Contractor and Surety on its performance bond.

Upon receipt of such notice, the Contractor agrees that it shall promptly discontinue the services provided under this Contract.

The remedies specified in this section shall be in addition to all other remedies available to the City pursuant to this Contract or at law or in equity.

5. NOTICES

All notices required by the Contract shall be personally served or mailed, addressed as follows:

To City:

To Contractor:

City Manager or
Finance Director
City of Snohomish
116 Union Ave
Snohomish, WA 98290

General Manager
Rabanco Ltd. dba Republic Services of Lynnwood
1600 127th Ave. NE
Bellevue, WA. 98005

With a copy to:

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Republic Services, Inc.
Attention: General Counsel
18500 N. Allied Way #100
Phoenix, AZ USA 85054

6. GENERAL TERMS

6.1 Collection Right

The Contractor shall be the exclusive provider with which the City shall contract to collect Garbage, Residential Organics and Recyclables and non-Source-Separated construction/demolition materials within the City Service Area. The City by appropriate regulation shall preclude any collection by others within the City Service Area of materials as to which the Contractor is granted exclusive collection rights under this Contract. When asked by the Contractor, the City shall use its best efforts to protect this right of the Contractor; however, the City shall not be obligated to join or instigate litigation to protect the right of the Contractor unless no other means of assuring Contractor's enjoyment of its exclusive collection right is available.

This contract provision will not apply to Garbage, Recyclables or Organics self-hauled by the generator; to Source-Separated recyclables hauled by common or private carriers from commercial premises or drop-off recycling sites; to construction/demolition waste hauled by self-haulers or construction and demolition contractors providing their own trucking service; or to Yard Debris generated and hauled by private landscaping services.

The Contractor shall retain responsibility for Garbage, Recyclables, construction/demolition materials and Organics once these materials are placed in Contractor-owned containers. The Contractor shall retain revenues gained from the sale of Recyclables, construction/demolition materials or Organics. Likewise, a tipping or acceptance fee charged for Recyclables, construction/demolition materials or Organics shall be the financial responsibility of the Contractor.

The City shall work with the Contractor, other haulers and processors, and other regional governments to develop a reasonable definition of what constitutes legitimate construction/demolition recycling for the purposes of interpreting collection authorities. Once a reasonable recycling threshold or "test" is developed with Snohomish County, the City and Contractor shall negotiate and amend this Contract accordingly.

6.2 Access to Records

The Contractor shall maintain in its local office full and complete operations, customer, financial and service records that at any reasonable time shall be open for inspection and copying for any reasonable purpose by the City. In addition, the Contractor shall, during the Contract term, and at least five (5) years thereafter, maintain reporting records and billing records pertaining to the Contract that are prepared in accordance with Generally Accepted Accounting Principles, reflecting the Contractor's services provided under this Contract. Those Contractor's accounts shall include but shall not be limited to all records, invoices and payments under the Contract, as adjusted for additional and deleted services provided under this Contract. The City shall be allowed access to these records for audit and review purposes, but such access and review shall be conducted in such a fashion as is reasonably necessary to protect any confidential financial information or other confidential information of the Contractor from becoming subject to disclosure by reason of any third-party request for public records.

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1 The Contractor shall make available copies of certified weight slips for Garbage, Recyclables
2 and Organics on request within two (2) business days of the request. The weight slips may be
3 requested for any period during the term of this Contract.

6.3 Contractor to Make Examinations

5 The Contractor has made its own examination, investigation and research regarding proper
6 methods of providing the services required under this Contract, and all conditions affecting the
7 services to be provided under this Contract, and the labor, equipment and materials needed
8 thereon, and the quantity of the work to be performed. The Contractor agrees that it has satisfied
9 itself based on its own investigation and research regarding all of such conditions, that its
10 conclusion to enter into this Contract was based upon such investigation and research, and that it
11 shall make no claim against the City because of any of the estimates, statements or
12 interpretations made by any officer or agent of the City that may be erroneous.

13 With the exception of Force Majeure events or as otherwise provided in this Contract, the
14 Contractor assumes the risk of all conditions foreseen and unforeseen, and agrees to continue to
15 provide services under this Contract without additional compensation under whatever
16 circumstances may develop other than as provided herein.

6.4 Insurance

18 The Contractor shall procure and maintain, for the duration of the Contract, insurance against
19 claims for injuries to persons or damage to property that may arise from or in connection with
20 the performance of the services provided under this Contract hereunder by the Contractor, its
21 agents, representatives, employees or subcontractors. The cost of such insurance shall be paid by
22 the Contractor.

6.4.1 Minimum Scope of Insurance

24 Contractor shall obtain insurance that meets or exceeds the following of the types described
25 below:

26 Automobile Liability insurance covering all owned, non-owned, hired and leased vehicles.

27 Coverage shall be written on Insurance Services Office (ISO) form CA 00 01. Pollution liability
28 coverage at least as broad as that provided under ISO Pollution Liability Broadened Coverage for
29 Covered Autos Endorsement CA 99 48 shall be provided and the Motor Carrier Act
30 Endorsement (MCS 90) shall be attached.

31 Commercial General Liability insurance shall be at least as broad as ISO occurrence form CG 00
32 01 and shall cover liability arising from premises, operations, independent contractors, personal
33 injury and advertising injury, and liability assumed under an insured contract. The Public Entity
34 shall be named as an additional insured under the Contractor's Commercial General Liability
35 insurance policy with respect to the work performed using ISO Additional Insured endorsement
36 CG 20 26 07 04 or substitute endorsement providing at least as broad coverage
37 Workers' Compensation coverage as required by the Industrial Insurance laws of the State of
38 Washington.

6.4.2 Minimum Amounts of Insurance

40 Contractor shall maintain the following insurance limits:

41 Automobile Liability insurance with a minimum combined single limit for bodily injury and
42 property damage of \$3,000,000 per accident.

43 Commercial General Liability insurance shall be written with limits no less than \$3,000,000 each
44 occurrence and a \$5,000,000 general aggregate.

45 Workers' Compensation coverage as required by the Industrial Insurance laws of the State of
46 Washington.

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6.4.3 Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions for Automobile Liability and Commercial General Liability coverage:

Coverage shall state that the Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

The Contractor's insurance shall be endorsed to state that coverage shall not be cancelled except after thirty (30) days prior written notice has been given to the City.

Pollution Liability coverage at least as broad as that provided under ISO Pollution Liability-Broadened Coverage for Covered Autos Endorsement CA 99 48 shall be provided, and the Motor Carrier Act Endorsement (MCS 90) shall be attached.

6.4.4 Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VIII.

6.4.5 Verification of Coverage

Contractor shall furnish the City with original certificates including, but not necessarily limited to, the additional insured endorsement, evidencing the insurance requirements of the Contractor before the Commencement Date.

6.4.6 Subcontractors

All coverages for subcontractors shall be subject to all of the same insurance requirements as stated herein for the Contractor.

6.4.7 Industrial Insurance Immunity Waiver

To the extent necessary to give effect to any obligations to hold harmless, indemnify and defend claims against the City, its officers, agents and employees provided for by this Contract, Contractor agrees to waive the Contractor's immunity under industrial insurance, Title 51 RCW, for any injury, sickness or death suffered by the Contractor's employees that is caused by or arises out of Contractor's negligent exercise of rights or privileges granted by the Contract provided, however, that this waiver shall not apply to any claims related to the sole negligence or willful misconduct of the City. This waiver is mutually agreed to by the parties.

6.6 Performance Bond

The Contractor shall provide and maintain at all times a valid Contractor's Performance and Payment Bond or bonds, letter of credit or other similar instrument acceptable to and approved in writing by the City in the amount of \$100,000.00. The bond, letter of credit or other similar instrument shall be issued for a period of not less than one year, and the Contractor shall provide a new bond, letter of credit or similar instrument, and evidence satisfactory to the City of its renewability, no less than sixty (60) calendar days prior to the expiration of the bond, letter of credit or other similar instrument then in effect.

6.7 Indemnification

The Contractor shall defend, indemnify and hold the City, its officers, officials, employees and volunteers harmless from any and all third-party claims, demands or actions arising out of or in connection with the Contractor's performance of this Contract (and from all costs and expenses incurred as a consequence of any such third-party claims, demands or actions, including reasonable attorneys' fees), except to the extent that any such claim, demand or action is attributable to any breach of this Contract, or any negligence or other fault on the part of the City. For the purposes of this section, "fault" has the meaning given in RCW 4.22.015.

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6.8 Confidentiality of Information

Under Washington State law, documents (including but not limited to written, printed, graphic, electronic, photographic or voice mail materials and/or transcriptions, recordings or reproductions thereof) submitted in performance of this Contract (the “documents”) may become a public record upon submission to the City, subject to mandatory disclosure upon request by any person, unless the documents are exempted from public disclosure by a specific provision of law. If the City receives a request for inspection or copying of any documents furnished at any time by Contractor to the City, the City shall promptly notify the Contractor (by U.S. mail and by fax) and upon the written request of the Contractor, received by the City within five (5) days of the mailing of such notice, shall postpone disclosure of the documents for a reasonable period of time as permitted by law to enable the Contractor to seek a court order prohibiting or conditioning the release of the documents. The City assumes no contractual obligation to enforce any exemption, but shall abide the outcome of any motion for any such court order that is timely sought by Contractor.

6.9 Assignment of Contract

6.9.1 Assignment or Pledge of Moneys by the Contractor

The Contractor shall not assign or pledge any of the moneys due under this Contract without securing the written approval of the Surety on the performance bond and providing at least thirty (30) calendar day’s prior notice to the City of such assignment or pledge together with a copy of the Surety’s approval thereof. Such assignment or pledge, however, shall not release the Contractor or its sureties from any obligations or liabilities arising under or because of this Contract.

6.9.2 Assignment, Subcontracting, Delegation of Duties

The Contractor shall not assign or sub-contract any of the work or delegate any of its duties under this Contract without the prior written approval of the City which shall not be unreasonably withheld. The City’s approval shall not be required for subcontracting or assignment to any company that is affiliated to Contractor or its parent company. In any case the Contractor shall notify in writing to the City of the assignment or subcontractor arrangement. When requested, approval by the City of a subcontract or assignment shall not be unreasonably withheld. In the event of sub-contracting or delegation of duties, the Contractor shall remain responsible for the full and faithful performance of this Contract and the subcontractor, or other obligor shall also become responsible to the City for the satisfactory performance of the work assumed. The City may condition approval upon the delivery by the assignee, subcontractor or other obligor of its covenant to the City to fully and faithfully complete the work or responsibility undertaken.

In addition, the assignee, subcontractor or obligor shall sign a separate statement agreeing to abide by all terms and conditions of this Contract. The City may preclude the assignment or subcontract if the assignee, subcontractor or obligor does not comply with this clause.

Furthermore, the assignee, subcontractor or obligor shall be subject to a one (1) year evaluation period during which the City may terminate this Contract on the basis of any material breaches of the terms binding the Contractor.

Contractor shall pay the City’s reasonable costs and expenses, including attorney’s fees, incurred in reviewing any request by Contractor to assign, subcontract, or delegate its duties hereunder.

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6.10 Laws to Govern/Venue

This Contract shall be governed by the laws of the State of Washington both as to interpretation and performance. Venue shall be in Superior Court in the State of Washington for Snohomish County.

6.11 Compliance With Law

The Contractor, its officers, employees, agents and subcontractors shall comply with applicable federal, state, county, regional or local laws, statutes, rules, regulations or ordinances, including those of agencies having jurisdiction over the project, in performing its obligations under the Contract. Such compliance shall include abiding by all applicable federal, state and local policies to ensure equal employment opportunity and non-discrimination. The Contractor shall comply with all applicable laws pertaining to employment practices, employee treatment and public contracts.

Conditions of the Federal Occupational Safety and Health Act of 1970 (OSHA), the Washington Industrial Safety and Health Act of 1973 (WISHA), and standards and regulations issued under these Acts from time-to-time must be complied with, including ergonomic and repetitive motion requirements. The Contractor must indemnify and hold harmless the City of Snohomish from all damages assessed for the Contractor's failure to comply with the Acts and Standards issued therein. The Contractor is also responsible for meeting all pertinent local, state and federal health and environmental regulations and standards applying to the operation of the collection and processing systems used in the performance of this Contract.

The Contractor is specifically directed to observe all weight-related laws and regulations in the performance of these services, including axle bridging and loading requirements.

6.12 Non-Discrimination

The Contractor will not discriminate against any employee or applicant for employment because of age, race, religion, creed, color, sex, marital status, sexual orientation, political ideology, ancestry, national origin, or the presence of any sensory, mental or physical handicap, unless based upon a bona fide occupational qualification. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their creed, religion, race, color, sex, national origin, or the presence of any sensory, mental or physical handicap. Such action shall include, but not be limited to the following: employment upgrading; demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and, selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment any required notices setting forth the provisions of this non-discrimination clause.

6.13 Permits and Licenses

The Contractor and subcontractors shall secure a City business license and pay fees and taxes levied by the City. The Contractor shall have or obtain all permits and licenses necessary to provide the services herein at its sole expense.

The Contractor shall be solely responsible for all taxes, fees and charges incurred, including, but not limited to, license fees and all federal, state, regional, county and local taxes and fees, including income taxes, property taxes, permit fees, operating fees, surcharges of any kind that apply to any and all persons, facilities, property, income, equipment, materials, supplies or activities related to the Contractor's activities under the Contract, business and occupation taxes, workers' compensation and unemployment benefits.

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6.14 Relationship of Parties

The City and Contractor intend that an independent City/Contractor relationship shall be created by this Contract. The implementation of services shall lie solely with the Contractor. No agent, employee, servant or representative of the Contractor shall be deemed to be an employee, agent, servant or representative of the City, and no agent, employee, servant or representative of the City shall be deemed to be an employee, agent, servant or representative of the Contractor.

6.15 Bankruptcy

It is agreed that if an order for relief is entered with respect to Contractor in any voluntarily or involuntarily case under the United States Bankruptcy Code (Title 11 of the United States Code), then this Contract, at the option of the City, may be terminated effective on the day and at the time of entry of such order for relief.

6.16 Right to Renegotiate/Amendment

The City and/or the Contractor shall retain the right to renegotiate this Contract or negotiate contract amendments based on policy changes, state statutory changes or rule changes in Snohomish County, Washington State or federal regulations regarding issues that materially modify the terms and conditions of the Contract. The City may also renegotiate this Contract should any Washington State, Snohomish County or City rate or fee associated with the Contract be held illegal or any increase thereof be rejected by voters. In addition, the Contractor agrees to renegotiate in good faith with the City in the event the City wishes to change disposal locations or add additional services to the Contract and to provide full disclosure of existing and proposed costs and operational impacts of any proposed changes. Failure of the parties to reach agreement on any such matter shall not result in a termination of this Contract or any right to terminate this Contract in favor of either party.

This Contract may be amended, altered or modified only by a written amendment, alteration or modification, executed by authorized representatives of the City and the Contractor.

6.17 Force Majeure

Provided that the requirements of this section are met, Contractor shall not be deemed to be in default and shall not be liable for failure to perform under this Contract if Contractor's performance is prevented or delayed by acts of terrorism, acts of God including landslides, lightning, forest fires, storms, floods, freezing and earthquakes, civil disturbances, acts of the public enemy, wars, blockades, public riots, governmental restraint or other causes, whether of the kind enumerated or otherwise, that are not reasonably within the control of the Contractor ("Force Majeure"). If as a result of a Force Majeure event, Contractor is unable wholly or partially to meet its obligations under this Contract, it shall give the City promptly written notice of the Force Majeure event, describing it in reasonable detail. The Contractor's obligations under this Contract shall be suspended, but only with respect to the particular component of obligations affected by the Force Majeure and only for the period during which the Force Majeure exists.

In the case of a labor disruption, the following terms and conditions apply:

- (1) Contractor immediately shall inform the City whenever it becomes apparent to the Contractor that a labor disruption that may affect the Contractor's performance is imminent.
- (2) During any labor disruption, Contractor shall provide daily reports to the City regarding the company's progress toward meeting full service requirements.
- (3) Contractor shall develop, provide the City with, and implement a customer outreach plan regarding the labor disruption, which shall inform customers as to what they may expect, and how they may contact Customer Service.

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(4) Contractor shall use all reasonable, practicable means to resume regularly scheduled service to all customers within five business days after the beginning of a labor disruption that affects Contractor's ability to perform, not including the first day of the labor disruption. Resuming regularly scheduled services within five business days is presumptively reasonable and practicable.

(5) Prior to the resumption of regularly scheduled service, the Contractor shall collect Garbage, Recyclables and Yard Waste from customers with interrupted service on the [following Saturday](#).

(6) Contractor shall collect all accumulated solid waste at the customer's next regularly scheduled service date after service affected by a labor disruption is resumed. The Contractor will not charge for extra waste set out in addition to customers' normal receptacle(s) in such a case if the amount of extra waste does not exceed the amount that reasonably would be expected to accumulate due to any intervening missed service.

(7) The Contractor is not obligated to extend credit to missed customers who fail to receive service during a labor disruption if the Contractor collects the customers' accumulated solid waste as required above and if the Contractor did not unreasonably delay the restoration of service during the five business day grace period. If the Contractor does not collect all of a customer's accumulated solid waste as required above, or if the Contractor unreasonably delays the restoration of service during the five business day grace period, then Contractor shall give a credit to the customer, proportionate to the customer's monthly service charge, for all missed services and for each subsequent missed service until normal service is restored.

(7) When the labor disruption has been settled, the Contractor promptly shall notify the City and shall indicate when normal service is anticipated to resume.

6.18 Illegal Provisions

At the discretion of the City, if any provision of this Contract shall be declared illegal, void, or unenforceable, the other provisions shall not be affected, but shall remain in full force and effect.

6.19 Waiver

No waiver of any right or obligation of either party hereto shall be effective unless in writing, specifying such waiver, and executed by the party against whom such waiver is sought to be enforced. A waiver by either party of any of its rights under this Contract on any occasion shall not be a bar to the exercise of the same right on any subsequent occasion or of any other right at any time.

6.20 Entirety

This Contract and the attachments attached hereto and incorporated herein by this reference, specifically Attachments A and B represent the entire agreement of the City and the Contractor with respect to the services to be provided under this Contract. No prior written or oral statement or proposal shall alter any term or provision of this Contract.

6.21 Severability

If, for any reason, any part, term or provision of this Contract is held by a court of the United States to be illegal, void or unenforceable, the validity of the remaining provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Contract did not contain the particular provision held to be invalid.

If it should appear that any provision hereof is in conflict with any statutory provision of the State of Washington, said provision, which may conflict therewith, shall be deemed inoperative

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and null and void insofar as it may be in conflict therewith, and shall be deemed modified to conform to such statutory provisions.

WITNESS THE EXECUTION of this Comprehensive Garbage, Recyclables and Organics Collection Contract on the day and year first herein above written.

RABANCO LTD. d/b/a Republic Services CITY OF SNOHOMISH
of Lynnwood

By _____
Gregg Brumer, Area President

By _____
Karen Guzak, Mayor

By _____
City Manager

Attested by _____
Grant Weed, City Attorney

Attachments:

A: Contractor Rates

B: Service Area Map

Attachment A

(under separate cover)

ATTACHMENT B

**CONTRACT
FOR
COMPREHENSIVE GARBAGE, REFUSE,
RECYCLABLES, AND YARD WASTE
COLLECTION
FOR
THE CITY OF SNOHOMISH**

THIS CONTRACT ("Contract") is made and entered into by and between the **CITY OF SNOHOMISH**, a Washington municipal corporation ("City"), and **RABANCO, LTD. d/b/a ALLIED WASTE OF LYNNWOOD**, a Washington corporation ("Contractor").

WHEREAS, it is necessary and in the public interest to enter into a contract for the collection and disposal of Garbage, Recyclables, and Yard Waste; and

WHEREAS, the City has entered into a contract with Contractor for the period March 1, 2003 through March 31, 2008 for the collection and disposal of Garbage and Refuse; and

WHEREAS, the City has amended the contract extending the period from April 1, 2008 through March 31, 2011; and

WHEREAS, the City and Contractor desire to enter into this new Contract to provide for Garbage and Refuse collection and disposal services in order to serve its citizens in the best possible and economically feasible manner;

NOW THEREFORE, it is hereby agreed and covenanted by and between the parties as follows:

1.0 Term of Contract

Commencing on April 1, 2011, the rights, privileges, and collection license herein granted shall be considered as a continuing six (6) year license. Contractor agrees and covenants to continue the collection and disposal of all Garbage, recycling, and yard waste beyond the termination date of this Contract, at the option of the City, for any increment up to three years, upon the same terms and conditions as contained in the contract. The Contractor and the City may mutually agree to extend this Contract. The terms and conditions as applicable to the initial term shall apply to the extended terms except for the pricing, which shall be as provided in the pricing Attachment to this Contract, and such other changes as

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may be mutually agreed upon by the City and the Contractor. Absent either the timely written request from either party, or the timely written response from the other party agreeing to extend the term of this Contract, the Contract shall extend on schedule.

2.0 Scope of Work

The Contract Service Area for City Garbage, recycling, and yard waste collection shall be the entire incorporated area of the City. The work to be performed by the Contractor within the service area under this Contract consists of the complete collection and disposal of the Garbage and proper handling of recycling and compostable yard waste and food waste. The Contractor shall be compensated for such services in accordance with the Refuse rate structure provided in Attachment A.

3.0 Definitions

Capitalized terms used in this Contract and not otherwise defined shall have the following meanings:

- 3.1 City: The word "City" means the City of Snohomish, Snohomish County, Washington. As used in the Contract, it includes the official of the City holding the office of City Manager or its designated representative.
- 3.2 City Service Area: The term "City Service Area" means the portion of the City subject to this Contract for services and includes the entire incorporated area of the City as it exists as of April 1, 2011 and as it may be subsequently expanded by annexations during the term or extended term of this Contract.
- 3.3 Commercial Customer: The term "Commercial Customer" means non-residential customers including businesses, institutions, governmental agencies, and all other users of commercial-type Garbage collection services.
- 3.4 Contractor: The word "Contractor" means Rabanco, Ltd. d/b/a Allied Waste of Lynnwood.
- 3.5 Curb or Curbside: The words "Curb" or "Curbside" mean on the homeowners' property, within five (5) feet of the Public Street or Private Road without blocking sidewalks, driveways, or on-street parking. If extraordinary circumstances preclude such a location, Curbside shall be considered a placement suitable to the resident, convenient to the Contractor's equipment, and mutually agreed to by the City and Contractor.
- 3.6 Detachable Container: The term "Detachable Container" means a watertight metal or plastic container equipped with a tight-fitting cover, capable of being mechanically unloaded into a collection vehicle, and that

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- is not less than one (1) cubic yard or greater than eight (8) cubic yards in capacity.
- 3.7 Documented Complaints: The term “Documented Complaints” means those complaints brought to the Contractor’s attention for missed collections, failure to deliver carts or containers on the agreed-upon date, failure to clean-up material spilled by the Contractor’s employees, collections performed outside the allowed hours, and other similar complaints to the City.
 - 3.8 Drop-box Container: The term “Drop-box Container” means an all-metal container with ten (10) cubic yards or more capacity that is loaded onto a specialized collection vehicle, transported to a disposal or recycling site, emptied, and transported back to the customer’s site.
 - 3.9 Excluded Waste: The term “Excluded Waste” means any material waste, substance, or pollutant containing any hazardous waste, toxic substance, waste or pollutant, contaminant, pollutant, infectious waste, medical waste, or radioactive waste, each as defined by applicable federal, state, or local laws or regulations.
 - 3.10 Foodwaste: The word “Foodwaste” means all compostable pre- and post-consumer food scraps, such as whole or partial pieces of produce, meats, bones, seafood, cheese, bread, cereals, coffee grounds and egg shells, and food-soiled paper such as paper napkins, paper towels, paper plates, coffee filters, paper take-out boxes, pizza boxes, paper milk cartons, or other paper products accepted by the Contractor’s selected composting site. Foodwaste shall not include plastics, diapers, cat litter, liquid wastes, pet wastes, or other materials prohibited by the selected composting facility.
 - 3.11 Garbage: The word “Garbage” means all putrescible and nonputrescible solid and semi-solid wastes, including, but not limited to, rubbish, ashes, industrial wastes, swill, demolition and construction wastes, and discarded commodities that are placed by customers of the Contractor in appropriate bins, bags, cans, or other receptacles for collection and disposal by the Contractor. The term Garbage shall not include Excluded Waste, Hazardous Wastes, Special Wastes, Source-separated Recyclables, Foodwaste, or Yard Waste.
 - 3.12 Garbage Can: The term “Garbage Can” means a City-approved container that is a water-tight galvanized sheet-metal or plastic container not exceeding four (4) cubic feet or thirty-two (32) gallons in capacity; weighing not over fifteen (15) pounds when empty or sixty (60) pounds when full; fitted with two (2) sturdy handles, one on each side; and fitted with a tight cover equipped with a handle. All containers shall be rodent and insect proof and kept in sanitary conditions at all times.

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3.13 Garbage Cart: The term “Garbage Cart” means a Contractor-provided 32-, 64- or 96-gallon wheeled cart suitable for household collection, storage, and Curbside placement of Garbage. Garbage Carts shall be rodent and insect proof and kept in sanitary condition at all times.

3.14 Hazardous Waste: The term “Hazardous Waste” means any substance that is:
defined as hazardous by 40 C.F.R. Part 261 and regulated as hazardous waste by the United States Environmental Protection Agency under Subtitle C of the Resource Conservation and Recovery Act (“RCRA”) of 1976, 42 U.S.C. § 6901 et seq., as amended by the Hazardous and Solid Waste Amendments (“HSWA”) of 1984; the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq.; or any other federal statute or regulation governing the treatment, storage, handling, or disposal of waste imposing special handling or disposal requirements similar to those required by Subtitle C of RCRA.

Hazardous Waste also includes any substance defined as dangerous or extremely hazardous by Chapter 173-303 WAC and regulated as dangerous waste or extremely hazardous waste by the Washington State Department of Ecology under the State Hazardous Waste Management Act, Chapter 70.105 RCW, or any other Washington State statute or regulation governing the treatment, storage, handling, or disposal of wastes and imposing special handling requirements similar to those required by Chapter 70.105 RCW.

Any substance that after the effective date of this Contract comes within the scope of this definition as determined by the City and the Contractor. Likewise, any substance that after the effective date of this Contract ceases to fall within this definition as determined by the City shall not be deemed to be Hazardous Waste.

3.15 Mini-can: The term “Mini-can” means a water-tight galvanized sheet-metal or plastic container not exceeding twenty gallons in capacity or thirty pounds in weight when full; fitted with two sturdy handles, one on each side; and fitted with a tight cover equipped with a handle.

3.16 Mixed Paper: The term “Mixed Paper” means magazines, junk mail, phone books, bond or ledger grade paper, cardboard, paperboard packaging, and other fiber-based materials meeting industry standards. Tissue paper, paper towels, food-contaminated paper, or paper packaging combined with plastic, wax, or foil are excluded from the definition of Mixed Paper.

3.17 Multifamily Complex: The term “Multifamily Complex” means a property

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where a structure provides living space for five or more unique family units for the calculation of solid waste and recycling rates.

- 3.18 Organics: The term “Organics” means compostable material, such as yard waste and foodwaste.
- 3.19 Private Road: The term “Private Road” means a privately owned and maintained way that allows for access by a service truck and that serves multiple Residences.
- 3.20 Public Street: The term “Public Street” means a public right-of-way used for public travel, including public alleys.
- 3.21 Recyclables: The word “Recyclables” means aluminum cans; corrugated cardboard; glass containers; Mixed Paper; newspaper; plastic containers that have contained non-hazardous products; polycoated cartons; Scrap Metals; tin cans; and such other materials that the City determines to be recyclable.
- 3.22 Recycling Cart: The term “Recycling Cart” means a Contractor-provided 64- or 96-gallon wheeled cart suitable for household collection, storage, and Curbside placement of Source-separated Recyclables.
- 3.23 Recycling Container: The term “Recycling Container” means a Contractor-provided Recycling Bin, Cart or Detachable Container suitable for on-site collection, storage, and placement of Source-separated Recyclables at Multifamily Complexes.
- 3.24 Refuse: The term “Refuse” means non-hazardous waste generated in the City.
- 3.25 Residence: The word “Residence” means a living space individually rented, leased, or owned.
- 3.26 Rubbish: Rubbish for residential clients means recyclable and/or yard waste material (see SMC 8.12.020 (C)).
- 3.27 Scrap Metals: The term “Scrap Metals” means ferrous and non-ferrous metals, including small appliances, not to exceed two (2) feet in any direction and thirty-five (35) pounds in weight per piece.
- 3.28 Single-family Residence: The term “Single-family Residence” means a structure where a unique family unit resides for the calculation of solid waste and recycling rates on a Public Street or Private Road.
- 3.29 Snohomish County Disposal System: The term “Snohomish County

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Disposal System” means the areas owned, leased, or controlled by the Snohomish County Solid Waste Division, Snohomish County, Washington for the disposal of Garbage, or such other site as may be authorized by the current Snohomish County Comprehensive Solid Waste Management Plan.

- 3.30 Source-separated: The term “Source-separated” means certain recyclable materials that are separated from Garbage by the generator for recycling or reuse, including, but not limited to Recyclables, Yard Waste, and other materials.
- 3.31 Special Waste: The term “Special Waste” means polychlorinated biphenyl (“PCB”) wastes, industrial process wastes, asbestos containing materials, petroleum contaminated soils, treated/de-characterized wastes, incinerator ash, medical wastes, demolition debris, and other materials requiring special handling in accordance with applicable federal, state, county, or local laws or regulations.
- 3.32 Surety: The term “Surety” means the surety on the performance bond required pursuant to Section 32.0 of this Contract.
- 3.33 WUTC: The term “WUTC” means the Washington Utilities and Transportation Commission.
- 3.34 Yard Waste: The term “Yard Waste” means leaves, grass, and clippings of woody, as well as fleshy plants. Unflocked whole holiday trees are acceptable. Materials larger than four (4) inches in diameter or four (4) feet in length are excluded. Bundles of Yard Waste up to two (2) feet by two (2) feet by four (4) feet in dimension shall be allowed and shall be secured by degradable string or twine, not nylon or other synthetic materials. Kraft paper bags may be used to contain Yard Waste.
- 3.35 Yard Waste Cart: The term “Yard Waste Cart” means a Contractor-provided 64- or 96-gallon wheeled cart provided to subscribing customers for the purpose of containing and collecting Yard Waste, and where applicable, Foodwaste.

4.0 Independent Contractor

The Contractor and the City understand and expressly agree that the Contractor is an independent contractor in the performance of each and every part of this Contract. The Contract expressly represents, warrants, and agrees that his status as an independent contractor in the performance of the work and services required under this Contract is consistent with and meets the six-part independent contractor test set forth in RCW 51.08.195 or as hereafter amended. The Contractor, as an independent contractor, assumes the entire responsibility for carrying out and accomplishing the services required under this Contract. The

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Contractor and its employees shall make no claim of City employment nor shall claim any related employment benefits, social security, and/or retirement benefits.

The Consultant shall be solely responsible for paying all taxes, deductions, and assessments, including but not limited to federal income tax, FICA, social security tax, assessments for unemployment and industrial injury, and other deductions from income which may be required by law or assessed as a result of this Contract.

5.0 Annexation

When additional areas are added to the City through annexation, the Contractor shall, upon ten (10) days written notice from the City, make collections in such newly annexed areas in accordance with all terms and conditions of this Contract and at the rates then in effect within the City. Contractor expressly waives its rights to claim any compensation at a higher rate than in effect within the City for newly-annexed properties. Provided, however, that newly-annexed areas, which are already serviced by a franchisee other than the Contractor, may not be subject to the provisions of this Contract for a period of years from the date of annexation as provided by RCW 35.13.280. At the end of such time period the City shall give Contractor the same notice as specified above.

6.0 Unimproved Private Roads and Alleys

Residences located in an area that does not allow safe access, turn-around, or clearance for service vehicles will be provided service if materials are set out adjacent to a Public Street.

If the Contractor believes that there is a probability of Private Road damage, the Contractor shall inform the respective customers and will require a damage waiver agreement (previously approved by the City), or the residents may opt to set out containers adjacent to a Public Street.

7.0 Non-Curbside Service for Disabled or Impaired Persons

The Contractor shall offer carry-out service for Garbage, Recyclables, and Yard Waste to households lacking the ability to place containers at the Curb, at no additional charge. Disabled or impaired residents may apply to the City to receive reduced rates for Garbage service. Customers shall apply on a form made available by the City. If the City finds the customer is qualified for reduced rates and no one else in the household can manage the cart to the curb, it shall notify the Contractor. Reduced Garbage rates apply only to services outlined in Attachment A. Customers requiring service in excess of this level cannot qualify for the rate reduction.

8.0 Collection Schedule

All residential (single-family and duplex) and mobile home parks are to be picked up once a week, collection to begin no earlier than 6:30 a.m. and no later than 6:30 p.m. All commercial collection shall be made between the hours of 6:30

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a.m. and 6:30 p.m. The Contractor shall make efforts to reduce the effects of noise during early morning collections on complaints from the City or residents. A variance to the collection hours will be sought and City shall grant reasonable request if Contractor determines safety is threatened by the above-stated hours.

9.0 Inclement Weather

When weather conditions are such that continued operation would result in danger to the Contractor's staff, area residents or property, the Contractor shall collect only in areas that do not pose a danger. The Contractor shall notify the City of its collection plan for each day inclement weather is experienced as soon as practical that day.

The Contractor shall collect Garbage, Recyclables, and Yard Waste from customers with interrupted service on the following Saturday. However, if such conditions continue for a second consecutive collection day or more, or on the following Saturday when collection has been scheduled, the Contractor shall, on the first day that regular service to a customer resumes, collect reasonable accumulated volumes of materials equal to what would have been collected on the missed collection day(s) from customers at no extra charge. Following notification to the City, the Contractor will be provided temporary authorization to perform collection services after 7:00 p.m. in order to finish collection routes.

Weather policies shall be included in program information provided to customers. On each inclement weather day, the Contractor shall release notices to the local radio and television stations (e.g., KPLU, KIRO, KOMO, and KUOW radio stations) notifying residents of the modification to the collection schedule. Additionally, information will be posted daily on the company website. When time allows, the Contractor shall utilize its reverse auto-call system to inform customers of delays and/or cancellations of service.

10.0 Holidays

The Contractor shall observe the same holiday schedule as do Snohomish County Transfer Stations (i.e., New Years Day, Thanksgiving Day, and Christmas Day). When the day of regular collection is a Snohomish County Transfer Station holiday, the Contractor may reschedule the remainder of the week of regular collection to the next succeeding workday, which shall include Saturdays. The Contractor may not collect Residential Garbage, Recyclables, or Yard Waste earlier than the regular collection day due to a holiday. Commercial collections may be made one day early only with the consent of the Commercial Customer.

11.0 Employee Conduct

The Contractor's employees collecting Garbage, Recyclables and Yard Waste shall at all times be courteous, refrain from loud, inappropriate, or obscene language, exercise due care, perform their work without delay, minimize noise, and avoid damage to public or private property. If on private property, employees shall follow the regular pedestrian walkways and paths, returning to the street

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after replacing empty containers. Employees shall not trespass or loiter, cross flower beds, hedges, or property of adjoining premises, or meddle with property that does not concern them or their task at hand. While performing work under the Contract, employees shall wear a professional and presentable uniform with a company emblem visible to the average observer.

If any person employed by the Contractor to perform collection services is, in the reasonable opinion of the City, incompetent, disorderly, or otherwise unsatisfactory, the City shall promptly document the incompetent, disorderly, or unsatisfactory conduct in writing and transmit the documentation to the Contractor with a demand that such conduct be corrected. The Contractor shall investigate any written complaint from the City regarding any unsatisfactory performance by any of its workers. If the offending conduct is repeated, the City may require that the person be removed from all performance of additional work under this Contract. Removal shall be addressed by the Contractor immediately.

12.0 Spillage

All loads collected by the Contractor shall be completely contained in collection vehicles at all times, except when material is actually being loaded or unloaded. Hoppers on all collection vehicles shall be cleared frequently to prevent the occurrence of unnecessary blowing or spillage. Any spillage of materials that occurs during collection shall be immediately cleaned up by the Contractor at its expense.

All vehicles used in the performance of this Contract shall be required to carry and regularly maintain spill kits. At a minimum, spill kits shall include absorbent pads or granules, containment booms, storm drain covers, sweepers and other similar materials sufficient to contain, control, and for minor events, appropriately clean-up, blowing materials, litter, leaks and spillage of vehicle fluids and leachate. Spill kits shall also include employee spill containment instructions and procedures as well as a regularly updated list of emergency contacts. The Contractor shall develop spill response procedures for review and approval by the City before initiating any work under this Contract. All drivers shall be provided with annual training on the use of spill kits and associated containment and notification procedures.

13.0 Missed Collections

If Garbage, Recyclables, or Yard Waste are set out inappropriately, improperly prepared or contaminated with Excluded Waste, the Contractor shall place in a prominent location a notification tag that identifies the specific problem(s) and reason(s) for rejecting the materials for collection.

The failure of the Contractor to collect Garbage, Recyclables, or Yard Waste that has been set out by a customer in the proper manner and that does not include Excluded Waste shall be considered a missed pick-up, and the Contractor shall collect the materials from the customer before the end of the next business day.

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The Contractor shall maintain a written record of all calls related to missed pick-ups and the response provided by the Contractor. Such records shall be made available for inspection upon request by the City and shall be included in monthly reports.

If the Contractor is requested by the customer to make a return trip due to no fault of the Contractor, the Contractor shall be permitted to charge the customer an additional fee for this service, provided the Contractor notifies the customer of this charge in advance.

If the Contractor fails to provide a special pick-up of any materials that do not include Excluded Waste within twenty-four (24) hours of notification by the City, this may cause the work to be done by City employees. The actual direct or indirect cost for each such pick-up shall be billed to the Contractor, or alternately, the City may deduct such cost from the payment due the Contractor.

14.0 Collection Equipment

All vehicles, facilities, equipment, and property used in the performance of this Contract shall be provided by the Contractor. The City may request that the Contractor provide a list of all vehicles, including the make, model, year and other relevant information.

In collecting Garbage, Recyclables, Yard Waste and other waste under this Contract, the Contractor shall use all metal, watertight, completely enclosed "packer" type bodies that are designed and manufactured for the collection of solid waste and are capable of serving Detachable Containers.

The number and type of collection vehicles furnished by the Contractor shall be sufficient for the collection of any Garbage, Recyclables, Yard Waste and other waste. If there is any doubt by the Contractor whether his proposed equipment is satisfactory or not, he shall secure prior written approval from the City.

15.0 Method of Disposal

The Contractor shall deliver, at its cost, Garbage, or other waste to a disposal site operated by Snohomish County and part of the Snohomish County System defined as, "all facilities for Solid Waste Handling owned or operated or contracted for, by Snohomish County" or its other successors do as long as consistent with the requirements of the "Interlocal Agreement Between Snohomish County And Its Cities And Towns Regarding Solid Waste Management." The Contractor shall obtain written permission from the City for use of other disposal sites as shall be approved by or meet the solid waste requirements of the Department of Ecology. The Contractor shall not use any solid waste disposal site which the City would be prohibited from using were the City to collect and dispose of solid waste or Refuse with its own employees. The Contractor shall at all times keep the City advised of the disposal sites being used by the Contractor.

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16.0 Equipment Cleaning Facilities

The Contractor shall provide adequate cleaning facilities for its equipment, approved as to type and location by the City and the Snohomish County Health Department. All cleaning shall be done on a paved area which is curbed to prevent draining to surrounding areas and which is provided with an approved catch basin which is connected to a sanitary sewer system, septic tank or holding tank acceptable to the City. These facilities shall be used for all washing and steam cleaning of equipment and be kept in a clean and sanitary condition.

17.0 Painting and Cleanliness of Vehicles and Equipment; Location of Containers

Collection vehicles shall be painted, numbered, shall have the Contractor's name, and number of the vehicle painted in letters of contrasting color at least four inches high on each side of each vehicle. No advertising shall be permitted other than the name of the Contractor. All vehicles shall be kept in a clean and sanitary condition, and all collection vehicles shall be cleaned at least once a week. Repainting of all vehicles shall be done as needed to maintain an acceptable appearance, or within a mutually agreeable time after written notification by the City. All Detachable Containers furnished by the Contractor shall be either painted or galvanized, shall display the Contractor's name and telephone number and shall be kept in a clean and sanitary condition. Such containers as are provided by the Contractor to food establishments shall be steam cleaned by the Contractor as frequently as necessary to maintain them in a sanitary condition. A mutually agreeable location for containers shall be determined by customer, City and Contractor, except that the City may designate such location at the time of site development approval. The Contractor shall return containers to such locations.

18.0 Mandatory Collection and Enforcement Responsibilities

Subscription to Garbage, Recycling and Yard Waste collection service is mandatory for all City residences and businesses. The City will be responsible for informing residents and businesses of their service level options and their responsibility to subscribe for collection service. If a customer has not subscribed for collection services, the City will notify the customer of the City's mandatory collection ordinance and that they will continue to receive a bill whether or not service is utilized. If the customer refuses to subscribe for service, the City will inform the Contractor, who will establish once per week service at the thirty-two gallon can rate for residential customers and at the sixty-four gallon rate for commercial customers.

19.0 Same Day Collection

Garbage, Recyclables, and Yard Waste collection shall occur on the same regularly scheduled day of the week for Single-family Residence customers. The collection of Garbage, Recyclables, and Yard Waste from Multifamily Complexes and Commercial Customers need not be scheduled on the same day.

20.0 Routing, Notification and Approval

The Contractor shall indicate, on a map acceptable to the City, the day of the week Garbage will be collected from each residential and commercial area. The

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Contractor may change the day of collection by giving written notice to the City not less than fourteen (14) calendar days prior to the effective date of the proposed change. Upon City approval the Contractor will provide affected customers with at least seven (7) calendar days notice of pending changes in collection day. The City must approve the proposed change and the form of notice to the customer.

21.0 Reports and Maps

The Contractor shall furnish a written annual report at the end of each calendar year to the City showing the number of loads of Garbage, Recyclables, Yard Waste and other waste hauled from within the City to the disposal site during the year, the approximate number of cubic yards per load, and the total number of cubic yards and number of tons of Garbage, Refuse or other waste hauled to the disposal site each month.

22.0 Annual City Centralized Community Cleanup

The Contractor shall provide one (1) Annual City Centralized Community Cleanup and (1) Autumn Fall Leaf program. The Contractor and the City will negotiate a separate agreement (not to exceed \$40,000 per year) to insure that the Contractor is able to recover all direct costs (for example, disposal of additional tons, additional labor, additional fuel, etc.) as a result of the Annual Cleanup. If the previous year's direct costs reach \$35,000 or more, the City and Contractor will review the parameters of the cleanup event and either modify the event or raise the dollar ceiling. The separate Annual City Centralized Community Cleanup Agreement must be agreed to and signed at least sixty (60) calendar days prior to the scheduled Annual City Centralized Community Cleanup. At least two months prior to the event and via billing insert, the City shall make known the Contractor's bulky item collection service prior to the cleanup event.

23.0 Requirement to Recycle and Compost

The Contractor shall recycle or compost all Source-separated Recyclables and Yard Waste collected, unless express prior written permission to do otherwise is provided by the City. The Contractor shall operate its material recovery facility in a manner to ensure that processed Recyclables destined for market have no greater outthrows, prohibited materials or contamination than allowed under current industry standards. For the purposes of evaluating this performance requirement, "industry standards" shall be the current specifications issued by the Institute of Scrap Recycling Industries: Scrap Specifications Circular 2004 Guidelines for Nonferrous Scrap, Ferrous Scrap, Glass Cullet, Paper Stock and Plastic Scrap," or successor circular or guidelines. The disposal of contaminants separated during processing is acceptable to the extent that it is unavoidable and consistent with industry standards, provided that under no circumstances shall the disposal of residuals exceed five percent by weight of the total monthly quantity collected of either Source-Separated Recyclables or Yard Waste unless the Contractor can establish that such excess contaminants are the result of special circumstances beyond the Contractor's control, processing of materials may result

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in damage to Contractor's equipment and/or are caused solely by the actions of generators. Disposal of contaminants shall be tracked by the Contractor as to the weight and percentage of materials collected on a monthly basis and included in the monthly reports.

The City shall be provided access to the Contractor's processing facilities with 24-hours notice for the purposes of periodically monitoring the facilities' performance under this Section. Monitoring may include, but not be limited to, breaking selected bales and measuring outthrows and prohibitives by weight, taking samples of processed glass and metals, reviewing actual markets and use of processed materials, and other activities to ensure that Contractor performance under this Contract and that misdirected Recyclables and contamination are minimized. All such investigations shall be done in strict compliance with Contractor's safety policies.

Obvious contaminants included with either Source-separated Recyclables or Yard Waste shall not be collected, and shall be left in the customer's container with a prominently displayed notification tag explaining the reason for rejection.

24.0 Communication

The parties agree that they will establish acceptable procedures for communication of necessary information. Each party agrees to designate a key employee or officer who will be the responsible contact person for that party with respect to implementation of the contract and communication of information necessary for the performance of the contract. Each party agrees to follow the procedures established between the parties for regular, effective communication of information between the parties.

25.0 Special Agreement

The Contractor agrees to remove and dispose of Garbage and Recyclables from the Snohomish Fire Stations, City Hall, City Shop, all City Parks, Averill Field, City Library, Wastewater Treatment Plant, First Street restrooms, Snohomish Senior Center, and Police Station, without charge to the City.

The City shall provide to the Contractor a mutually agreed location of approximately 5,000 square feet (50 feet by 100 feet) of City property for the storage and mobilization of containers during the Contract term. The Contractor may request in writing to conduct other operations at the site, such as building containers or recycling services. The Contractor shall not collect and/or store Hazardous Waste, Special Waste, toxic material, solid waste, Garbage, Recyclable material, and/or Yard Waste, and/or conduct any transfer operation of such material at the site. Containers stored at the site must be cleaned prior to placement.

26.0 Low Income Senior Citizen and Low Income Handicapped Customers

Low income senior citizens and low income handicapped residents may apply to

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the City to receive reduced rates for Garbage service. Customers shall apply on a form made available by the City. If the City finds he/she is qualified for reduced rates, it shall notify the Contractor. Reduced Garbage rates apply only to services outlined in Attachment A. Customers requiring service in excess of this level cannot qualify for the rate reduction.

27.0 Payment of Contractor (if City is billing customers)

Within ten (10) working days after the first of the month, the Contractor shall submit an itemized invoice (not to include the City's public utility tax) to the City for services rendered for the prior month of service. After submittal of such invoices the City shall, on or about the 10th day of the next month, remit to the Contractor payments of an amount equal to such invoices, adjustments and/or claims less any sums that have been deducted as provided in this Contract.

The Contractor shall provide a detailed listing billing register of the accounts being billed, including the account's monthly service level and any extra charges.

28.0 Permits and Damage to Utilities

The Contractor shall obtain and pay for any and all City and other County, State, or Federal permits and/or licenses legally required in order to provide the Garbage and Refuse collection and disposal services required under this Contract.

The Contractor shall be obligated to protect all public and private utilities whether occupying street, public, or private property. If such utilities are damaged by reason of the Contractor's operations under this Contract, the Contractor shall repair or replace same, or failing to do this promptly, the City shall cause repair and replacement to be made and the cost of doing so shall be billed to Contractor monthly, or alternately the City may deduct such cost from the payment due the Contractor.

29.0 Container Requirements and Ownership

29.1 Mini-cans and Garbage Cans

Both Residential and Commercial Customers may elect to use customer-owned Mini-cans or Garbage Cans, or may choose to use Contractor-owned Carts for Garbage collection service. In all cases, customers will be directed to have at least one rigid container as their primary Garbage container. Plastic bags may be used for overflow volumes of Garbage, but not as a customer's primary container.

If a customer uses its own Mini-can or Garbage Can, Contractor crews shall be expected to handle the containers in such a way as to minimize undue damage. The Contractor shall be responsible for unnecessary or unreasonable damage to customer-owned containers caused by the Contractor.

29.2 Garbage, Recyclables and Yard Waste Carts

Garbage, Recyclables, and Yard Waste Carts used by customers shall be restricted to Contractor-issued 32-, 64- and 96-gallon Recyclables Carts;

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and only Contractor-issued 96-gallon Yard Waste Carts.

29.3 Detachable and Drop-box Containers

The Contractor shall furnish and install 1-, 2-, 3-, 4-, 6- and 8-cubic yard Detachable Containers, and 10-, 20-, 30- and 40-cubic yard uncompacted Drop-box Containers to any customer who requires their use for storage and collection of Garbage.

Customers may elect to own or secure containers from other sources, and shall not be subject to discrimination by the Contractor in collection services on that account. However, containers owned or secured by customers must be capable of being serviced by front load or Drop-box Container collection vehicles to be eligible for collection. The Contractor is not required to service customer containers that are not compatible with the Contractor's equipment.

If a particular customer repeatedly damages a container due to negligence or intentional misuse, the Contractor shall forward in writing the customer's name and address to the City. The City shall then attempt to resolve the problem. If the problem continues, the City will take corrective action with the customer.

29.4 Recycling Carts

The Contractor shall provide Recycling Carts to new customers within the City Service Area, including new residences and annexation areas as well as replacement Carts to existing customers who request them because of loss, theft, or damage.

29.5 Ownership

On the termination of this Contract for any reason, all Contractor-supplied Garbage Carts, Recycling Carts and Yard Waste Carts, Detachable Containers, and roll-off boxes purchased or obtained by the Contractor shall remain the property of the Contractor.

30.0 Liability Insurance

30.1 Liability Insurance Types and Coverage Amounts

The Contractor shall provide and maintain in full force and effect during the entire term of the Contract or any renewal or extension thereof a policy of Contractor's General Liability and Automobile Liability Insurance providing for limits of not less than one million dollars (\$1,000,000) per occurrence for all damages arising out of bodily injuries to or death of one person, and subject to that limit for each person, a total limit of not less than five million dollars (\$5,000,000) per occurrence for all damages arising out of bodily injuries to or death of two or more persons in any one accident; and regular Contractor's Property Damage Liability insurance providing for a limit of not less than one million dollars (\$1,000,000) per occurrence for all damages arising out of the injury to or destruction of

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property in any one accident, and subject to that limit per accident. The Contractor shall, before commencing work under this Contract, file with the City certificates of insurance coverage to be kept in force continuously during this Contract in a form acceptable to the City. Said certificates shall name the City, its officers, elected officials, agents and/or employees as an additional named insured with respect to all coverages except workers' compensation.

30.2 **Notice of Cancellation**

In the event that the Contractor receives notice (written, electronic, or otherwise) that any of the above required insurance coverage is being cancelled and/or terminated, the Contractor shall immediately (within forty-eight (48) hours) provide written notification of such cancellation/termination to the City.

30.3 **Acceptability of Insurers**

Insurance to be provided by Contractor shall be with a Bests rating of no less than A:VII, or if not rated by Bests, with minimum surpluses the equivalent of Bests' VII rating.

30.4 **Verification of Coverage**

In signing this Contract, the Contractor acknowledges and represents that required insurance is active and current. Further, throughout the term of this Contract, the Contractor shall provide the City with proof of insurance upon request by the City.

30.5 **Insurance shall be Primary**

The Contractor's insurance coverage shall be primary insurance as respect to the City. Any insurance, self-insurance, or insurance pool coverage maintained by the City shall be excess of the Contractor's insurance and shall not contribute with it.

30.6 **No Limitation**

Contractor's maintenance of insurance as required by this Contract shall not be construed to limit the liability of the Contractor to the coverage provided by such insurance or otherwise limit the recourse to any remedy available at law or in equity.

30.7 **Occurrence Basis**

Unless approved by the City all insurance policies shall be written on an "Occurrence" policy as opposed to a "Claims-made" policy. The City may require an extended reporting endorsement on any approved "Claims-made" policy.

30.8 **Workers' Compensation**

During the term of this Contract and any extension thereof, the Contractor shall maintain workers' compensation coverage and limits in accordance with and as required by the Workers' Compensation Act of Washington.

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31.0 Indemnification and Hold Harmless

- 31.1 The Contractor shall at all times indemnify and hold harmless and defend the City, its elected officials, officers, employees, agents, and representatives, from and against any and all lawsuits, damages, costs, charges, expenses, judgments, and liabilities, including attorney's fees (including reasonable attorney's fees in establishing indemnification), collectively referred to herein as "losses" to the extent arising out of negligent acts, errors, or omissions of the Contractor in performance of Contractor's services under this Contract. The term "claims" as used herein shall mean all claims, lawsuits, causes of action, and other legal actions and proceedings of whatsoever nature, involving bodily or personal injury or death of any person or damage to any property including, but not limited to, persons employed by the City, the Contractor, or other person and all property owned or claimed by the City, the Contractor, or affiliate of the Contractor, or any other person.
- 31.2 Should a court of competent jurisdiction determine that this Contract is subject to RCW 4.24.115, then, in the event of liability for damaging arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Contractor and the City, its members, officers, employees, and agents, the Contractor's liability to the City, by way of indemnification, shall be only to the extent of the Contractor's negligence.
- 31.3 The Contractor specifically and expressly waives any immunity that may be granted it under the Washington State Industrial Insurance Act, Title 51 RCW, as provided in RCW 4.24.115. The indemnification obligation under this Contract shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable to or for any third party under workers compensation acts, disability benefits acts, or other employee benefits acts; provided the Contractor's waiver of immunity by the provisions of this paragraph extends only to claims against the Contractor by the City and does not include, or extend to, any claims by the Contractor's employees directly against Contractor. The obligations of Contractor under this subsection have been mutually negotiated by the parties hereto, and Contractor acknowledges that the City would not enter into this Contract without the waiver thereof of Contractor.
- 31.4 Nothing contained in this section or Contract shall be construed to create a liability or a right of indemnification by any third party.
- 31.5 The provisions of this section shall survive the expiration or termination of this Contract with respect to any event occurring prior to such expiration or termination.

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32.0 Performance Bond

Within ten (10) calendar days of execution of this Contract by the parties, the Contractor shall furnish to the City a performance bond to be approved by the City Attorney, conditioned that the Contractor shall faithfully perform all the provisions and terms of the Contract and related documents, and shall pay all laborers, mechanics and subcontractors and material men, and all persons who shall supply such Contractor with provisions and supplies for the carrying on of such work. Said bond shall be signed by the Contractor and two or more good and sufficient Sureties or with Surety Company as Surety, and shall be in the amount of one hundred thousand dollars (\$100,000.00). Said bond shall be kept in full force and effect during the term of this Contract and extension thereof.

33.0 Force Majeure

Neither party shall be liable to the other for any delay in, or failure of, performance of such obligations hereunder, except as may be specifically provided herein, where performance of such obligations are prevented or delayed by acts of God, fire, explosion, strike, lock out, accident, flood, earthquake, epidemic, war, riot, rebellion, restraints or injunctions, or other legal processes from which a party affected cannot reasonably relieve themselves by security or action.

34.0 Contractor to Make Examination

The Contractor shall make his own examination, investigation, and research regarding the proper method of doing the work, and all conditions affecting the work to be done, and the labor, equipment, and materials needed thereon, and the quantity of the work to be performed. The Contractor agrees that he has satisfied himself by his own investigation and research regarding all of such conditions and that his conclusion to enter into this Contract is based upon such investigation and research, and that he shall make no claim against the City because of any of the estimates, statements or interpretations made by any officer or agent of the City which may prove to be in any respect erroneous.

35.0 Company Name

The Contractor shall not use a firm name containing the words "Snohomish," "City," or any words implying municipal ownership.

36.0 Excluded Waste

Notwithstanding any other provision of this Contract: (a) except as otherwise required by applicable law, the Contractor shall have no obligation to inspect any material collected pursuant to this Contract; (b) if Excluded Waste is discovered before the Contractor collects it, the Contractor may refuse to collect the entire container of waste; (c) if any Excluded Waste is not discovered by the Contractor before it is collected, the Contractor may, in its sole discretion, remove, transport and dispose of such Excluded Waste at a location authorized to accept such Excluded Waste in accordance with all applicable local, State and/or Federal laws

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and/or regulations and charge the customer, depositor or generator of such Excluded Waste all direct and indirect cost incurred due to removal, remediation, handling, transportation, delivery and disposal of such Excluded Waste; and (d) title to and liability for any Excluded Waste shall remain with the customer, generator or depositor and shall at no time pass to the Contractor.

37.0 Emergency Response

Contractor shall provide the City use of the Contractor's labor and equipment for assistance in the event of a City disaster or emergency declaration, provided such labor and equipment is available. The Contractor and City commit to developing an agreement on terms, conditions, and compensation for disaster or emergency services, not to be less than the rates in Attachment A.

Contractor shall keep full and complete records and documentation of all costs incurred in connection with disaster or emergency response, and include such information in the monthly reports required under Section 21.0. The Contractor shall maintain such records and documentation in accordance with the City's prior approval and any standards established by the Federal Emergency Management Agency, and at the City's request, shall assist the City in developing any reports or applications necessary to seek assistance related to a federally-declared disaster.

38.0 Responsibility of Participants

38.1 Contractor's Responsibilities

The Contractor shall be responsible for:

- Collecting Garbage in the City Service Area and delivering the Garbage to the Snohomish County Disposal System.
- Collecting, processing and marketing Recyclables and Yard Waste collected by the Contractor in the City Service Area.
- Providing cart and container assembly, maintenance, stickering/labeling and re-stickering/labeling and delivery services listed or required in this Contract.
- Performing secondary (City shall provide primary support) customer service. Entering data, such as changes, returns, misses, and other flow of operation details. The City will communicate data by the end of the next business day via email, telephone, fax, or other electronic means. If a customer calls the Contractor instead of the City, the Contractor will assist the customer in resolution of the issue. In order to best serve the Customer, those who call the Contractor regarding rates will be referred to the City.
- Procuring all equipment and bearing all start-up, operating, and maintenance costs for collection and processing or disposal of Garbage, Recyclables, and Yard Waste, including proper safety equipment and insurance for vehicles and workers.
- Providing and supervising all labor to accomplish the scope of services required under this Contract, including labor to collect

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materials, maintain equipment, and provide customer service functions.

- Operating a maintenance facility to house and service collection equipment and acquiring all necessary land use, building, operating, and business permits and licenses.
- Submitting all informational materials for public release to the City for review and approval prior to release.
- Complying with all applicable laws.
- Meeting all non-discrimination and OSHA/WISHA standards, and all environmental standards and regulations.
- Providing a safe working environment and comprehensive liability insurance coverage as set forth in 30.0, and providing proof of this insurance to the City annually.
- Providing a valid Contractor's performance bond in accordance with Section 32.0, and providing proof of this bond to the City annually.
- Securing the prior written approval of the City and Surety before assigning or pledging money, or assigning, subcontracting, or delegating duties.
- Providing route maps to the City indicating the day of week for each service.
- Submitting collection day changes to the City for review and approval prior to notice being provided to customers and the change taking place.
- Submitting prompt notices to the media regarding modifications to the collection schedule due to inclement weather.
- Maintaining containers, vehicles and facilities in a clean, properly labeled and sanitary condition.
- Meeting all City reporting, inspection and review requirements.
- Providing operating and safety training for all personnel, including spill response training for all drivers.
- Notifying the City of intended changes in management not less than sixty (60) calendar days prior to the date of change. New management shall also attend an introductory meeting scheduled by the City during the sixty (60) calendar day notification period. Exception shall be made for termination for cause or voluntary termination in which case Contractor shall notify the City as soon as is possible.
- Complying with all terms, obligations, duties and conditions of this Contract.

38.2 City's Responsibilities

The City shall be responsible for:

- Overall project administration and final approval of Contractor services and activities.

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- Reviewing and approving Contractor compensation adjustments due to changes in County disposal fees or price indices.
- Directing and overseeing public education and outreach with the cooperation and assistance of the Contractor.
- Billing, receiving and posting customer payments and deposits. Primary customer service functions including answering telephone calls and e-mails, providing information on services, establishing Commercial and Drop-box Container customer accounts, and providing appropriate customer support.
- Provide Contractor Customer information changes and updates by the end of the next business day following receipt of the new information.
- Monitoring and evaluating collection operations with the cooperation and assistance of the Contractor.
- Providing outreach materials and programs, and assistance with distribution and outreach as required in this Contract.
- Reviewing and approving all assignment, pledging, subcontracting or delegation of money or duties.
- Reviewing and approving collection days and route changes.
- Reviewing and approving holiday schedule changes.
- Reviewing and approving all written or other informational materials used by the Contractor.
- Conducting performance reviews of the Contractor with the Contractor's cooperation and assistance.
- Holding periodic operations meetings with the Contractor, as necessary.

39.0 Liquidated Damages As To Certain Types of Breach of Service

As a breach of the service provided by this Contract would cause serious and substantial damage to the City and its citizens, and the nature of this Contract would render it impracticable or extremely difficult to fix the actual damage sustained by the City by such breach, it is agreed that in case of breach of service, the City may elect to collect liquidated damages and not as a penalty, the amounts set forth below, such sums being agreed to as the amount which the City will be damaged by the breach of such service. An election to seek such remedies shall not be construed as a waiver of any other legal remedies at law or in equity the City may have as to any subsequent breach of service under this Contract.

Truck beginning residential collection
prior to 6:30 a.m. or later than 6:30 p.m. \$25 per truck per day

In areas 300 feet from residential section operating
between the hours of 6:30 p.m. and 6:30 a.m. \$25 per occurrence

Failure to collect misses within 24 hours of

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notification to Contractor\$15 each, not to
exceed 10 complaints
per truck per day

Repetition of complaints on a route after
notification including, but not limited to,
replacing lids or detachable containers in
designated locations, spilling, not closing
gate, crossing planted areas, or similar
violations.....\$5 each, not to
exceed 10 complaints
per truck per day

Failure of Contractor to provide special
make-up collections as defined in
Section 13.0.....\$25 each pick-up

The above shall be billed to the Contractor, or deducted from any payment due to
the Contractor, at the City's discretion.

40.0 Refuse Rates and Modification of Rates (Solid and Yard Waste)

40.1 Refuse Rates

Contractor shall be compensated for Garbage and Refuse collection and disposal services provided pursuant to this Contract in accordance with the Refuse rates described and provided in Attachment A, which is incorporated herein by this reference. These rates shall be adjusted during the term of this Contract or any extension thereof in accordance with this Section.

Contractor shall communicate with industrial and commercial users with respect to number and size of containers and frequency of service. The Contractor shall directly negotiate and bill customers for Garbage and Refuse collection and disposal services related to temporary construction services and services greater than 8 yards.

Rates shall recognize that housing structures with two or more units including condominiums may opt-out of the Yard Waste program, upon successful petition to the City for a variance.

40.2 Refuse Rate Index

The Refuse Rate Index ("RRI") will be a weighted index based on the following three indices:

- The Consumer Price Index for Urban Wage Earners and Clerical Workers for the Seattle-Tacoma-Bremerton Area, all items, not seasonally adjusted, or successor indices, which will have a weight of 42%.

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- The Employment Cost Index for Service-Providing Industries (National), Series ID CIU201S000000000I (B,H), for private industry, not seasonally adjusted, which will have a weight of 50%.
- The Energy Information Agency West Coast Retail On-Highway Diesel Price, which will have a weight of 8%.

The Refuse Rate Index, for the Contract year beginning in April 2012, and for each subsequent contract year, will be calculated by taking the weighted average, based on the weights above, of the percentage difference between the three indices September 30th values and the corresponding values for the prior year, and adding the result to 1.0. The resulting amount shall be termed the “adjustment factor.”

Adjustments to the Contractor’s collection service charge shall be made in units of one cent (\$0.01). Fractions less than one cent (\$0.01) shall not be considered when making adjustments. At no time shall the total adjustment factor be less than 0.0 and no time greater than 5.0.

The Contractor shall submit to the City for review and approval a rate adjustment statement, calculating the new rates for the next year in which an RRI adjustment is scheduled, on or by January 15 of each year, starting January 15th, 2012. The City shall have twenty (20) calendar days to approve or disapprove the new rates; provided, however, that the City may not disapprove an RRI increase unless the Rate Adjustment Statement contains errors of calculations. On City approval, the new rates shall take effect on April 1 of that year, and customers shall be notified by February 15th prior to the new rate. Should ratepayers not receive notification by February 15th, due to missed deadlines by the Contractor or rate disapproval by the City, implementation of the new rates shall be delayed by one month without opportunity for recovery of lost revenue.

40.3 Disposal Fee Adjustments

Periodic adjustments may be made to Contractor collection rates to reflect increases or decreases in disposal fees for solid waste fees. The City and Contractor agree to negotiate in good faith any change in collection rates resulting from increases or decreases in disposal fees for solid waste. The Contractor shall notify the City of any changes to the solid waste fees within 15 (fifteen) business days of notification from the processors. Should rate payers not receive at least forty-five (45) days notice due to short notification time to the City by the Contractor, implementation of the new rates shall be delayed until proper notice can be provided without opportunity for recovery of additional costs or lost revenue.

40.4 Changes in Disposal or Yard Waste Processing Sites

Should the Contractor be required by the City or other governmental

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authority to use disposal or Yard Waste processing sites other than those being used at the initiation of this Contract, the Contractor shall submit a detailed proposal for the adjustment of the rates to reflect any additional cost or savings to the Contractor. The City and Contractor agree to negotiate in good faith any changes to the rates to offset these costs or savings.

40.5 Other Modifications

The Contractor shall not adjust or modify rates due to employee wage increases, the value of Recyclables, Garbage collection service level shifts, and/or other changes affecting the collection system other than provided for under Section 39.

The Contractor or City shall be allowed to request in writing a rate adjustment limited to the following changes in the operating environment and limited to the actual direct costs incurred to the Contractor. The Contractor shall make every effort to keep the City apprised in writing when changes to any of the following items may impact Snohomish service rates. All rate adjustments under these provisions shall be respective of the previous adjustments for RRI and shall not result in a duplication of increase to the City.

40.5.1 Changes in Federal, State, County, or Local Tax Rates.

40.5.2 Once during the term of the Contract, but not effective before the end of the second Contract year, the Contractor and the City can request a rate adjustment due to changes in the average container weight of the City of Snohomish customers.

40.5.3 Federal or State regulatory changes that require changes to collection, processing, or transport operations that result in either an increase/decrease to direct costs.

40.6 Change in Law

Changes in federal, State, or local laws or regulations or a continuing force majeure that result in a detrimental change in circumstances or a material hardship for the Contractor in performing this Contract may be the subject of a request by the Contractor for a rate adjustment, subject to review and approval by the City, at the City's reasonable discretion. If the City requires review of financial or other proprietary information in conducting its rate review, at the request of the Contractor, the City shall retain a third-party to review such information at the Contractor's expense, and may take any other steps it deems appropriate to protect the confidential nature of Contractor's documents and preserve the Contractor's ongoing ability to remain competitive.

The City may, from time to time, impose utility or other taxes that shall be

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assessed and payable as directed by City ordinance. If new City, County, or State taxes are imposed or the rates of existing taxes are changed after the execution date of this Contract, and the impact of these changes results in increased or decreased Contractor costs, the Contractor and City will enter into good faith negotiations to determine whether compensation adjustments are appropriate, and if so, determine the amount and the method of adjustment.

41.0 Discrimination Prohibited And Compliance With Equal Opportunity Laws

The Contractor agrees to comply with applicable equal opportunity employment laws and regulations and not discriminate against customers, employees, or applicants for employment or for services because of race, creed, color, religion, national origin, marital status, sex, sexual orientation, age or handicap except for a bona fide occupational qualification with regard, but not limited to, the following: employment upgrading; demotion or transfer; recruitment or any recruitment advertising; layoff or terminations; rates of pay or other forms of compensation; selection for training, and providing services under this Contract. The Contractor further agrees to maintain (as appropriate) notices, posted in conspicuous places, setting forth the provisions of this nondiscrimination clause.

42.0 Local Improvements

The City reserves the right to construct any improvement or to permit any such construction in any street or alley in such a manner as the City may direct, which may have the effect for a time of preventing the Contractor from traveling his accustomed route or routes for collection. The Contractor shall, however by whatever approved method the Contractor elects, continue to collect the Garbage and Refuse to the same reasonable extent as though no interference existed upon the streets or alleys formerly traversed. This shall be done without extra costs for the City.

43.0 Disputes/Arbitration

43.1 Minor Disputes

Minor disputes between the City and Contractor involving sums of less than \$1,000.00 shall be resolved by being submitted to the City's Utility Hearing Examiner whose decision shall be final and binding.

43.2 Other Disputes

All other disputes between the parties to this Contract shall be resolved by binding arbitration. Unless otherwise agreed between the parties, the binding arbitration shall be through the American Arbitration Association and pursuant to its rules. Either party may submit a dispute to arbitration by written notice to the other stating the nature of the dispute and making the demand for arbitration. The party prevailing in any dispute resolution proceeding, as determined by the arbitrator or arbitrators, shall be entitled to be compensated by the other party for reasonable attorney's fees and costs of dispute resolution, including the costs of arbitration.

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44.0 Non-Assignability of Contract

This Contract or any interest therein or part thereof, shall not be assigned, whether by operation of law or otherwise, nor shall any part thereof be subcontracted, without prior written consent of the City first having been obtained, which consent shall not unreasonably be withheld.

45.0 Junk or Salvage

All junk or salvage of any kind or nature authorized by the City to be collected by the Contractor shall become its property and the Contractor agrees to make proper provision for the disposition of any such junk or salvage as the case may be.

46.0 Contractor to Maintain Accurate Records

Contractor agrees to and covenants to keep at all times accurate and complete records and accounts in writing, including route books indicating the collection from residential, commercial and industrial customers, as dictated by good accounting practices, and to allow the City, or its duly authorized representative or agent, reasonable and adequate access to any and all of said records, data, copies or duplicates thereof, without charge. The Contractor shall preserve and make available all such books of account and records for a period of three (3) years after final payment under this Agreement. In the event that any audit or inspection identifies any discrepancy in such financial records, the Contractor shall provide the City with appropriate clarification and/or financial adjustments within thirty (30) calendar days of notification of the discrepancy.

47.0 Termination

The City reserves the right to cancel or terminate this Contract at any time in case Contractor fails or neglects to perform or adhere to any provision, term, and/or condition of this Contract, or fails to abide by any of the conditions or covenants herein contained. Provided, however, that the City shall give the Contractor written notice of any alleged breach of this Contract, and unless the default is not capable of being cured, give the Contractor 10 days to cure the default.

48.0 Extent of Contract/Modification

This Contract, together with attachments or addenda, represents the entire and integrated Contract between the parties and supersedes all prior negotiations, representations, or agreements, contracts either written or oral. This Contract may be amended, modified or added to only by written instrument properly signed by both parties.

49.0 Severability

If a court of competent jurisdiction holds any part, term or provision of this Contract to be illegal or invalid, in whole or in part, the validity of the remaining provisions shall not be affected, and the parties' rights and obligations shall be construed and enforced as if the Contract did not contain the particular provision held to be invalid.

If any provision of this Contract is in direct conflict with any statutory provision

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of the State of Washington, that provision which may conflict shall be deemed inoperative and null and void insofar as it may conflict, and shall be deemed modified to conform to such statutory provision.

50.0 Nonwaiver

A waiver by either party hereto of a breach by the other party hereto of any covenant or condition of this Contract shall not impair the right of the party not in default to avail itself of any subsequent breach thereof. Leniency, delay or failure of either party to insist upon strict performance of any agreement, covenant or condition of this Contract, or to exercise any right herein given in any one or more instances, shall not be construed as a waiver or relinquishment of any such agreement, covenant, condition or right.

51.0 Compliance with Law

The Contractor shall comply with all federal, state, and local laws and ordinances applicable to work and services to be done under this Contract.

52.0 Governing Law and Venue

This Contract shall be interpreted and construed in accordance with the laws of Washington. Venue for any litigation commenced relating to this Contract shall be in Snohomish County Superior Court.

53.0 Fair Meaning

The terms of this Contract shall be given their fair meaning and shall not be construed in favor of or against either party hereto because of authorship. This Contract shall be deemed to have been drafted by both of the parties.

54.0 Counterparts

This Contract may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same Contract.

55.0 Authority to Bind Parties and Enter Into Contract

The undersigned represent that they have full authority to enter into this Contract and to bind the parties for and on behalf of the legal entities set forth below.

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**RABANCO, LTD. d/b/a ALLIED WASTE CITY OF SNOHOMISH
OF LYNNWOOD**

By 
Peter Keller, Vice President

Date 22 May 11

ATTEST:

By _____
Torchie Corey, City Clerk

By _____
Larry Bauman, City Manager

Date

APPROVED AS TO FORM:

By _____
Grant K. Weed, City Attorney

DISCUSSION ITEM 8**Attachment A****Solid Waste and Recycling Rates.**

<u>RESIDENTIAL</u>		
Service Type	Frequency	21.0 Monthly Rate
1 Mini Can	Monthly	9.88
1 Mini Can – Senior Citizen	Monthly	4.94
Mini Can	Weekly	11.21
Mini Can – Senior Citizen	Weekly	5.60
1 Can	Weekly	13.96
1 Can – Senior Citizen	Weekly	6.99
2 Cans	Weekly	20.12
2 Cans – Senior Citizen	Weekly	10.06
3 Cans	Weekly	26.22
4 Cans	Weekly	30.53
5 Cans	Weekly	36.24
6 Cans	Weekly	42.86
Each Additional Can	Weekly	6.03
1 - 64 gallon Toter	Weekly	24.55
2 - 64 gallon Toters	Weekly	35.46
Bags, Cans, Boxes	Per Occurrence	5.99
Return Trip	Per Occurrence	10.68
Oversize Can	Per Occurrence	22.52

<u>MULTIFAMILY AND COMMERCIAL</u>		
Service Type	Frequency	Monthly Rate
1 Can	Weekly	17.25
2 Cans	Weekly	34.90
3 Cans	Weekly	52.50
4 Cans	Weekly	70.09
5 Cans	Weekly	87.68
1 64 Gal Toter	Weekly	33.05
1 90 Gal Toter	Weekly	54.57
Extra Bag	Weekly	2.65
1.00 Yard	Weekly	85.56

pm
22 Nov 2016

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Service Type	Frequency	Monthly Rate
1.25 Yard	Weekly	97.29
1.50 Yard	Weekly	117.54
2.00 Yard	Weekly	144.34
3.00 Yard	Weekly	194.14
4.00 Yard	Weekly	234.96
6.00 Yard	Weekly	309.47
8.00 Yard	Weekly	383.98
4.00 Yard Compactor	Weekly	742.78
Distance	Per Occurrence	No Charge
Gate	Per Occurrence	No Charge
Bags	Per Occurrence	2.65
Boxes	Per Occurrence	2.65
Cans	Per Occurrence	2.65

<u>RECYCLING</u>		
Service Type	Frequency	Monthly Rate
Residential Co-Mingled	Weekly	6.03
Yard Waste	Spring Summer – Weekly	9.11
	Winter – Bi-Weekly	
Yard Waste – Extra Cart	Spring Summer – Weekly	6.21
	Winter – Bi-Weekly	
Multifamily	Weekly	5.88

Commercial and multifamily customers requiring increased frequency of collections beyond those provided in the above rates shall be charged under the following formula:

Formula: The Service's Weekly Rate x the Frequency of Collection x
 .94

Example: A One-Yard container picked up three (3) times per week:
 \$85.56 x 3 x .94 = \$241.98

dm
22 nov 11

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ATTACHMENT C

Date: January 19, 2016
To: City Council
From: Jennifer Olson, Finance Director
Subject: **Solid Waste Utility – SMC 8.12 Collection and Disposal of Solid Waste**

The purpose of this agenda item is for the City Council to begin discussions regarding the solid waste utility and the pending sunset of the current contract between the City and Rabanco, LTD. d/b/a Allied Waste of Lynnwood. This current service agreement is due to expire in March of 2017. Staff is requesting City Council direction on how future City solid waste collection services will be provided and managed.

Background: The City of Snohomish initially established solid waste collection and disposal as a utility in 1985 with Ordinance 1543 (See Attachment A) This Ordinance mandates collection of solid waste at all residences and businesses located within the city limits as per Chapter 8.12 of the Snohomish Municipal Code (See Attachment B). For the collection and disposal of solid waste the City entered into a contract with our current contractor, Rabanco, LTD aka Republic (See Attachment C) in March of 2003, and has periodically extended the contractual agreement to March 31, 2017. Current solid waste contract administration and customer service is provided by the City Finance Department staff. Solid waste disposal rates are charged to customers via the combined utility bill which includes water, sewer and storm water charges.

With the pending expiration of the solid waste contract, it is appropriate at this time to begin reviewing all issues, aspects and options available for providing solid waste administration and collection services to residents and businesses.

Options:

1. Continue Solid Waste as a Utility
 - a. Extend contract with existing contractor – no changes
 - b. Negotiate new contract with existing contractor - with changes to service and administration
 - c. Start Request For Proposals (RFP) process for a new solid waste services contract
Transition Solid Waste Service back to the WUTC - revert solid waste management back to the Washington Utility and Transportation Commission (WUTC) as per Ch. 81.77.020 RCW

Issues:

- Is the current contract meeting all solid waste collection and disposal requirements of the City for the health and welfare of citizens?
- Are current solid waste rates competitive?

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- Should the current contract be renegotiated with the existing contractor or should the City initiate an RFP process to assess the market and seek out bids for a new contract and contractor?
- Customer service and solid waste administrative activities take up a significant amount of internal staff time. Should a new or amended solid waste contract require the contractor to handle customer services such as move in/out, missed collections and separately bill customers?
- Should the City remove itself from the solid waste collection business and allow the WUTC to govern and manage solid waste services?

Rates and Comparisons

Rate setting for solid waste services, is established annually per the City contract. Rates are set according to the Refuse Rate Index (RRI), a weighted index based on CPI, Employment Cost index and Energy Information – diesel prices. The contractor notifies the City of the rate increase and new rates go into effect April 1 of each year. Current City of Snohomish solid waste rates are effective until March 31, 2016 and are included with this memo (See Attachment D).

Table 1 compares the 2015 garbage, recycling and yard waste rates along with contractual information for a number of surrounding communities. Communities offer differing levels of services and an apples-to-apples comparison of rates is difficult to create. Some communities do not require or include services, such as yard waste collection and allow the customer to choose what services they desire. Other differences include the local municipal utility taxes which range from 5% to over 20% tax on solid waste services.

Comparison of Solid Waste and Recycling Rates: 2015						
City	Garbage	Recycle	Yard Waste¹	Monthly Total²	Contractor	Regulator
Snohomish	\$17.67	\$16.96	Included	\$34.63	Republic	City Contract
Lake Stevens	\$16.87	Included	\$15.70	\$32.57	Republic	WUTC
Sultan	\$20.31	\$9.15	\$16.23	\$45.69	Republic	City Contract
Monroe	\$14.46	\$4.41	\$8.06	\$26.93	Republic	City Contract
Woodinville	\$15.69	\$17.64	\$10.35	\$43.68	Waste Management	WUTC
Granite Falls	\$19.03	Included	\$9.36	\$28.39	Waste Management	WUTC
Arlington	\$19.00	Included	\$11.16	\$30.16	Waste Management	WUTC
Stanwood	\$23.27	Included	\$8.01	\$31.28	Waste Management	WUTC
Marysville	\$17.40	Included	\$9.65	\$27.05	Waste Management	City Contract
Mt. Lake Terrace	\$26.24	Included	Included	\$26.24	Waste Management	City Contract
¹ Yard waste service is included with recycle charge for Snohomish and Mt. Lake Terrace and is optional for all other cities.						
² All bills include a state refuse tax or municipal utility tax on garbage if applicable.						

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Table 2 compares City of Snohomish rates with WUTC solid waste rates for 2015. The difference in overall service levels is recycling which is a weekly activity under the City current contract but a bi-weekly activity under WUTC services.

Table 2. Comparison Rates: City of Snohomish and WUTC 2015

Service Type	City of Snohomish	WUTC-Tariff #19
1 Can weekly service	17.67	14.28
Recycling	16.96 (weekly)	8.82 (bi-weekly)
Less: Rebate	0.00	-1.04
Yard Waste	Included	10.35
Solid Waste Tax	0.99	0.51
Monthly Cost	35.61	32.92
Annual Cost	427.33	395.09

Customer Service and Contract Administration

Solid waste customer services are provided by City of Snohomish finance department staff serving as liaisons to the solid waste contractor. Customers contact City Hall for service setup, problems with service and billing and then this customer information is transferred to the solid waste contractor. Solid waste customer service and contract administration staff time is estimated to utilize the equivalent of 2.0 FTEs plus managerial time for oversight of the solid waste services program.

Proposed Next Step: Customer Survey

One of the most critical pieces in the upcoming solid waste services discussion will be resident and business owner input. Staff proposes a customer survey (See Attachment E) which will be included in the next two bi-monthly utility bill cycles. Customers will be asked to complete the survey and return it to the City by either including the survey with their utility billing payment, drop the survey in the utility bill after-hours drop box or mail to City Hall. Survey results will be tallied and feedback will be provided to the City Council at a future City Council meeting.

Staff anticipates that it will take most of spring 2016 to gather public input on solid waste services for the community and prepare for an RFP process and contract negotiations. Survey results will be provided to the City Council around April 2016. Any changes will require transition for adequate time to transfer customer information, coordinate administrative issues, determine capital equipment requirements and prepare for any changes to services. An RFP process takes up staff time; however, does allow for the City to test the market with regards to rates and services.

STRATEGIC PLAN REFERENCE: the Community Vision section of the Plan refers to “*High quality and sustainable City services*”

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RECOMMENDATION: That the City Council **DISCUSS** solid waste collection and disposal services and **DIRECT** staff on next steps.

ATTACHMENTS:

- A. Ordinance 1543
- B. SMC Ch. 8.12 Collection and Disposal of Solid Waste
- C. Current - Solid Waste Contract – Allied Waste
- D. Current-City of Snohomish Solid Waste Rates
- E. Proposed Solid Waste Customer Survey

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ATTACHMENT D

2016 Solid Waste Survey Results

3,049 Total Garbage Customers

576 Survey Responses

19% Responding

Residential	SUMMARY			ACTUAL					
	Disagree or Strongly Disagree	Neutral	Agree or Strongly Agree	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Total
1) Overall Satisfaction.				24	33	92	293	129	571
<i>I am satisfied with my overall garbage, recycle, yard waste service</i>	10%	16%	74%	4%	6%	16%	51%	23%	
2) Satisfied with Rates				105	154	160	105	42	566
<i>I am satisfied with my garbage, recycle, yard waste rates</i>	46%	28%	26%	19%	27%	28%	19%	7%	
3) Driver Satisfaction				11	23	124	262	144	564
<i>I am satisfied with my driver's reliability, communication, and customer service.</i>	6%	22%	72%	2%	4%	22%	46%	26%	
4) Customer Service Satisfaction				17	23	232	209	80	561
<i>I am satisfied with my billing customer service such as knowledge and customer care.</i>	7%	41%	52%	3%	4%	41%	37%	14%	
5) E-Services				89	83	131	97	162	562
<i>I am interested in auto pay, on-line billing, and or the ability to pay with a credit card</i>	31%	23%	46%	16%	15%	23%	17%	29%	
6) Direct Customer Service Contact				24	42	239	153	98	556
<i>I would like to be able to contact my solid waste provider directly for missed service, move in/out, etc.(Solid waste may be billed separate from water and sewer.)</i>	12%	43%	45%	4%	8%	43%	28%	18%	
7) Carts to be Provided				23	46	206	145	137	557
<i>I would like the solid waste provider to provide all carts, including garbage carts.</i>	12%	37%	51%	4%	8%	37%	26%	25%	
8) Cart Size Options				13	33	196	173	136	551
<i>I would like the ability to choose a recycle and yw cart size</i>	8%	36%	56%	2%	6%	36%	31%	25%	
9) Clean-Up Event Participation				35	87	175	121	112	530
<i>I participate in the annual city wide clean up event located at the City Shop each year in April.</i>	23%	33%	44%	7%	16%	33%	23%	21%	

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2016 Solid Waste Survey Results

3,049 Total Garbage Customers

576 Survey Responses

19% Responding

10) Knowledge of Clean-Up Event				155	114	85	90	68	512
I am not aware of the annual city wide clean-up event held each year in April at the City Shop.	53%	17%	31%	30%	22%	17%	18%	13%	
11) Preference for Bi-Weekly Recycle				96	96	65	122	191	570
I prefer recycle pick-up every other week in order to lower the recycle cost.	34%	11%	55%	17%	17%	11%	21%	34%	
	SUMMARY			ACTUAL					
Commercial	Disagree or Strongly Disagree	Neutral	Agree or Strongly Agree	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Total
1) Overall Satisfaction.				0	4	1	12	3	20
I am satisfied with my overall garbage, recycle, yard waste service	20%	5%	75%	0%	20%	5%	60%	15%	
2) Satisfied with Rates				7	5	8	2	1	23
I am satisfied with my garbage, recycle, yard waste rates	52%	35%	13%	30%	22%	35%	9%	4%	
3) Driver Satisfaction				0	1	4	12	5	22
I am satisfied with my driver's reliability, communication, and customer service.	5%	18%	77%	0%	5%	18%	55%	23%	
4) Customer Service Satisfaction				0	3	5	13	2	23
I am satisfied with my billing customer service such as knowledge and customer care.	13%	22%	65%	0%	13%	22%	57%	9%	
5) E-Services				4	5	4	2	6	21
I am interested in auto pay, on-line billing, and or the ability to pay with a credit card	43%	19%	38%	19%	24%	19%	10%	29%	
6) Direct Customer Service Contact				0	0	9	7	5	21
I would like to be able to contact my solid waste provider directly for missed service, move in/out, etc.(solid waste may be billed separate from water and sewer.)	0%	43%	57%	0%	0%	43%	33%	24%	
7) Carts to be Provided				0	0	8	6	6	20
I would like the solid waste provider to provide all carts, including garbage carts.	0%	40%	60%	0%	0%	40%	30%	30%	

2016 Solid Waste Survey Results

3,049 Total Garbage Customers

576 Survey Responses

19% Responding

8) Cart Size Options				0	0	3	12	7	22
I would like the ability to choose a recycle and yw cart size	0%	14%	86%	0%	0%	14%	55%	32%	
9) Clean-Up Event Participation				3	2	11	2	4	22
I participate in the annual city wide clean up event located at the City Shop each year in April.	23%	50%	27%	14%	9%	50%	9%	18%	
10) Knowledge of Clean-Up Event				2	2	7	6	4	21
I am not aware of the annual city wide clean-up event held each year in April at the City Shop.	19%	33%	48%	10%	10%	33%	29%	19%	
11) Preference for Bi-Weekly Recycle				3	5	5	4	5	22
I prefer recycle pick-up every other week in order to lower the recycle cost.	36%	23%	41%	14%	23%	23%	18%	23%	

DISCUSSION ITEM 8

Actual Customer Comments from Returned Surveys	# of same responses
1) Overall Satisfaction. I am satisfied with my overall garbage, recycle, yard waste service:	
-I don't think it's fair to be forced into garbage service/Would like to be able to not have garbage/recycle/YW	10
-Snohomish is driving people out of the city limits.	4
-New to area-pleased so far.	3
-Very happy with service.	2
-Overall happy with service-especially food waste compsting	
-When are we citizens going to have our say about the huge bills we get for water and waste treatment?	
-We do not have recycle for business, I would love to have it.	7
-The company will not return calls for recycling. We have tried for 3 years	
-I think the City does an outstanding job in this area	
2) Satisfied with Rates. I am satisfied with my garbage, recycle, yard waste rates	
-I believe we are paying way to much for these services.	17
-Billing should be based on usage.	12
-Seniors produce less garbage and recycle, so it would be reasonable to charge them less w/out requiring poverty level income.	6
-Why is water so expensive/lower the rates	6
-Separate recycle and yard waste. Interested in doing own compost not having yard waste pick up.	5
-Would like to be billed monthly for everything.	5
-All City rates are high even for senior citizens.	3
-Monthly garbage should be 1/4 the amount of weekly garbage.	3
-Once a month recycling	2
-The cost to put items into landfill should be more than recycle	
-I am moving out of town due to this billing of WSG. It is too expensive & from what understand is a mistake by City leaders.	
-Why do I have to pay for YW when I don't even use YW or have a YW cart?	
-Why pay more for provided tote when easier for driver to unload and takes less time?	
-Very expensive	
3) Driver Satisfaction. I am satified with my driver's reliability, communication, and customer service.	
-Garbage pickup is too carelss-always have garbage on streets after pickup.	6
-Our service is always friendly and reliable. Guys are great!	6
-Garbage driver leaveslids off/abuse containers	5
-A few times cans not fully emptied	3
-Would like garbage/recycle drivers to not put carts in street. Put on curb. Don't block driveways	3
-6am pickup is too early.	2
-The garbage/recycle/yard waste provider routinely misses pickup w/out notice	2
-Would like to know what time the solid waste services will be picked up	2
-Drivers block driveways	

DISCUSSION ITEM 8

Actual Customer Comments from Returned Surveys	# of same responses
-Drivers drive too fast	
-Driver's reliability=good. Driver's customer service=bad	
-Great job getting all into the truck. No leftovers on the ground.	
-Need pick-up during snow/ice time too.	
4) Customer Service Satisfaction. I am satisfied with my billing customer service such as knowledge and customer care.	
-City customer service is very helpful.	7
-City staff is not helpful	
5) E-Services. I am interested in auto pay, on-line billing, and or the ability to pay with a credit card	
-Would like credit card payment without charges	14
-Would like automatic payment	6
6) Direct Customer Service Contact. I would like to be able to contact my solid waste provider directly for missed service, move in/out, etc.(Solid waste may be billed separate from water and sewer.)	
-Would like City to bill for all services.	
7) Carts to be Provided. I would like the solid waste provider to provide all carts, including garbage carts.	
8) Cart Size Options. I would like the ability to choose a recycle and yw cart size	
-Would like larger recycle cart	2
-Would like to choose color of recycle and yard waste cart	2
9) Clean-Up Event Participation. I participate in the annual city wide clean up event located at the City Shop each year in April.	
-Now that I know about City clean up event I could attend/Love the Annual City wide clean up	5
-I do appreciate the weekly yard waste pick up and do participate in annual City wide cleanup	2
-Seniors can't get items to City wide clean up. Would like once a year to go to their house and pick up.	2
10) Knowledge of Clean-Up Event. I am not aware of the annual city wide clean-up event held each year in April at the City Shop.	
-Better notice of City wide clean up, other than signs as you enter town.	3
11) Preference for Bi-Weekly Recycle. I prefer recycle pick-up every other week in order to lower the recycle cost.	
-Every other week recycle/garbage/yard waste	51

ATTACHMENT E

Snohomish, WA									
	# Cust	Current Rates	Current Level of Service Proposed Rates	Cmts to Eqv% Chg	Cmts to Eqv% Chg	Alternate 1 Level of Service Proposed Rates	Alternate 2 Level of Service Proposed Rates	Alternate 3 Level of Service Proposed Rates	
Residential Rate Reductions									
Residential Service									
20 gal can	153	12.42	Weekly Garbage-mandatory			Weekly Garbage-mandatory	Weekly Garbage-mandatory	Weekly Garbage-mandatory	
1 can	1,515	15.25	Weekly Recycle-mandatory			Every other Week Recycle-mandatory	Every other Week Recycle-mandatory	Weekly Recycle-mandatory	
2 cans	190	21.97	Weekly Yard Waste-mandatory			Every other Week Yard Waste-mandatory	Weekly Yard Waste-mandatory	Weekly Yard Waste-mandatory	
3 cans	180	28.63							
4 cans	9	33.25							
5 cans	1	39.46							
6 cans	0	46.71							
Additional cans over 6	0	6.72							
1 can once a month	66	11.10							
120 gal cart	0								
132 gal cart	274	17.67							
164 gal cart	234	26.93							
196 gal cart	14	37.88							
Residential Service - Senior Rates									
120 gal cart	14	6.21							
132 gal cart	63	7.63							
164 gal cart	5	10.98							
1 can once a month	14	5.56							
Recycling & Yard Waste:									
Recycling & YW Combined	2,570	16.96							
Recycle	2,570	6.87							
Yard Waste	Varies	10.09							
Commercial Service									
Commercial 2% Reduction	# Cust	Current Rates	Proposed Rate	Cmts to Eqv% Chg	Cmts to Eqv% Chg	No changes in service level			
1 can	40	18.98	N/A						
2 cans	9	38.76	N/A						
3 cans	4	58.48	N/A						
4 cans	6	78.16	N/A						
5 cans	4	97.88	N/A						
32 gal cart	0	18.95		0%					
64 gal cart	35	36.58	35.85		-2%				
96 gal cart	28	60.36	59.15		-2%				
100 Yard (1 pickup per week)	70	93.29	91.42		-2%				
125 Yard (1 pickup per week)	4	105.64	103.52		-2%				
150 Yard (1 pickup per week)	24	127.66	125.11		-2%				
2 Yard (1 pickup per week)	68	156.16	153.04		-2%				
3 Yard (1 pickup per week)	53	208.82	204.64		-2%				
4 Yard (1 pickup per week)	34	251.31	246.28		-2%				
6 Yard (1 pickup per week)	22	329.75	323.15		-2%				
8 Yard (1 pickup per week)	16	408.20	400.03		-2%				
Yd Comp (1 pickup per week)	0	789.16	773.37		-2%				

Proposed new rates are based on carts being supplied to each household by the solid waste contractor. Customer provided can allowed only for 1 per month pick up

Table 1. Monthly Comparison of Solid Waste and Recycling Rates: 2016

City	Garbage	Recycle	**Yard Waste	Total	Contractor	Regulator	Size/Frequency of Garbage	Size/Frequency of Recycle	Size/Frequency of Yard Waste
Snodhish	\$ 15.25	\$ 6.87	\$ 10.09	\$ 32.21	Republic	City Contract	32 gal tote weekly	64 gal tote weekly	96 gal tote weekly
Lake Stevens	\$ 16.87	\$ 4.85	\$ 15.70	\$ 37.42	Republic	WUTC	32 gal can weekly	64 gal tote weekly	96 gal tote weekly**
Sultan	\$ 21.92	\$ 8.85	-	\$ 30.77	Republic	City Contract	32 gal can weekly	weekly	Not offered thru City
Monroe	\$ 14.46	\$ 4.41	\$ 8.06	\$ 26.93	Republic	City Contract	32 gal can weekly	weekly	weekly
Woodinville	\$ 15.69	\$ 8.82	\$ 11.33	\$ 35.84	Waste Management	WUTC	35 gal tote weekly	96 gal tote every other week	96 gal tote weekly
Granite Falls	\$ 19.65	Included w/garbage	\$ 9.47	\$ 29.12	Waste Management	WUTC	35 gal tote weekly	96 gal tote every other week	96 gal tote weekly
Arlington	\$ 19.27	Included w/garbage	\$ 11.41	\$ 30.68	Waste Management	WUTC	35 gal tote weekly	96 gal tote every other week	96 gal tote weekly
Stanwood	\$ 23.68	Included w/garbage	\$ 8.21	\$ 31.89	Waste Management	WUTC	35 gal tote weekly	Stacked bins	96 gal tote
Marysville	\$ 24.61	Included w/garbage	\$ 10.20	\$ 34.81	Waste Management	City Contract	36 gal can weekly	weekly	96 gal tote
Mt. Lake Terrace	\$ 26.46	Included w/garbage	Included w/garbage	\$ 26.46	Waste Management	City Contract	35 gal tote weekly	96 gal tote every other week	96 gal tote every other week
Average				\$ 31.61					

* All bills include a 3.6% state refuse tax on garbage

** weekly service: March-Nov, Every other week Service: Dec-Feb

DISCUSSION ITEM 8

CONSENT ITEM 9a***Schedule of Checks for the Checks Issued Since the September 20, 2016 Meeting***

<i>Name</i>	<i>Check #</i>	<i>Invoice #</i>	<i>Check Date</i>	<i>Description</i>	<i>Amount</i>
Schneider					
	59453		9/15/16	Refund check	\$3.24
	59453		9/15/16	Refund check	\$1.50
	59453		9/15/16	Refund check	\$2.75
	59453		9/15/16	Refund check	\$7.82
	59453		9/15/16	Refund check	\$17.33
	59453		9/15/16	Refund check	\$2.92
				Check Total	\$35.56
Sanders					
	59454		9/15/16	Refund check	\$31.88
	59454		9/15/16	Refund check	\$62.04
	59454		9/15/16	Refund check	\$165.95
	59454		9/15/16	Refund check	\$402.21
				Check Total	\$662.08
Rommen					
	59455		9/15/16	Refund check	\$96.73
				Check Total	\$96.73
Channing					
	59456		9/15/16	Refund check	\$58.76
				Check Total	\$58.76
Noyce					
	59457		9/15/16	Refund check	\$250.94
				Check Total	\$250.94
Warren White					
	59458		9/15/16	Refund check	\$10.00
				Check Total	\$10.00
Cook					
	59459		9/15/16	Refund check	\$33.91
	59459		9/15/16	Refund check	\$15.64
	59459		9/15/16	Refund check	\$28.78
	59459		9/15/16	Refund check	\$81.74
	59459		9/15/16	Refund check	\$181.28
	59459		9/15/16	Refund check	\$30.49
				Check Total	\$371.84
FREO Washington LLC					
	59460		9/15/16	Refund check	\$284.72
				Check Total	\$284.72
Snyder					
	59461		9/15/16	Refund check	\$97.33
	59461		9/15/16	Refund check	\$4.20
	59461		9/15/16	Refund check	\$0.59
				Check Total	\$102.12
Gayle Campbell					
	59462		9/15/16	Refund check	\$0.31
	59462		9/15/16	Refund check	\$5.90
				Check Total	\$6.21
Terrie Schmitt					
	59463		9/15/16	Refund check	\$33.91
	59463		9/15/16	Refund check	\$11.73
	59463		9/15/16	Refund check	\$28.78
	59463		9/15/16	Refund check	\$49.68
	59463		9/15/16	Refund check	\$139.98
	59463		9/15/16	Refund check	\$30.49

CONSENT ITEM 9a***Schedule of Checks for the Checks Issued Since the September 20, 2016 Meeting***

<i>Name</i>	<i>Check #</i>	<i>Invoice #</i>	<i>Check Date</i>	<i>Description</i>	<i>Amount</i>
				Check Total	\$294.57
				Batch Total	\$2,173.53
Mas Tec North America, Inc					
	59464	09092016	9/16/16	Business License Overpayment	\$25.00
				Check Total	\$25.00
Zineta Polozina					
	59465	09162016	9/16/16	Paymentus Refund	\$15.13
				Check Total	\$15.13
				Batch Total	\$40.13
A WorkSAFE Service, Inc					
	59466	230806	9/29/16	CDL Test	\$52.00
				Check Total	\$52.00
AAA Champion LLC					
	59467	922	9/29/16	janitorial service-September	\$1,852.93
				Check Total	\$1,852.93
Ace Equipment Rentals					
	59468	66699	9/29/16	equipment	\$10.91
	59468	65581	9/29/16	equipment	\$87.28
				Check Total	\$98.19
AdCoasters					
	59469	SWA-006	9/29/16	Stormwater Education & Outreach Material	\$600.00
				Check Total	\$600.00
AECOM Technical Services, Inc					
	59470	37803288	9/29/16	30th Street Widening Project #1	\$20,321.26
				Check Total	\$20,321.26
All Battery Sales & Service					
	59471	800-10010510	9/29/16	parts EP33	\$102.01
				Check Total	\$102.01
AT&T Mobility					
	59472	413073-9/16	9/29/16	WTP Modem Scada Remote Connections	\$42.51
				Check Total	\$42.51
Benchmark Document Solutions					
	59473	10972	9/29/16	City Hall Fax Machine	\$17.76
				Check Total	\$17.76
BHC Consultants					
	59474	8100	9/29/16	WWTP Engineering Services	\$6,154.40
				Check Total	\$6,154.40
Bickford Motors					
	59475	1100943	9/29/16	parts EP45	\$42.90
	59475	CM1100943	9/29/16	return parts	\$-23.76
	59475	CM1101451	9/29/16	return parts	\$-14.03
	59475	1101451	9/29/16	parts EP109	\$17.92
				Check Total	\$23.03
Brim Tractor Co Inc					
	59476	IL68704	9/29/16	parts EP180	\$28.32
				Check Total	\$28.32
Builders Exchange of Washington					
	59477	1051859	9/29/16	Publish Project	\$45.00
				Check Total	\$45.00
City of Everett					
	59478	I16002352	9/29/16	Animal Shelter Fees August 2016	\$370.00
				Check Total	\$370.00

CONSENT ITEM 9a

Schedule of Checks for the Checks Issued Since the September 20, 2016 Meeting

<i>Name</i>	<i>Check #</i>	<i>Invoice #</i>	<i>Check Date</i>	<i>Description</i>	<i>Amount</i>
City Of Everett Utilities					
	59479	01016409252016	9/29/16	6400 118th Dr SE	\$523.62
	59479	01673909252016	9/29/16	99th St SE/5 Line	\$1,285.93
	59479	01015709252016	9/29/16	6600 109th Ave SE	\$21,938.19
	59479	01741009252016	9/29/16	6203 107th Ave SE	\$1,329.23
	59479	01954609252016	9/29/16	3300 Blk Bickford Ave	\$5,409.40
				Check Total	\$30,486.37
Comcast					
	59480	482016-9/16	9/29/16	Manager Share City Hall Internet	\$17.89
	59480	482016-9/16	9/29/16	Human Resources Share City Hall Internet	\$17.85
	59480	482016-9/16	9/29/16	Clerk Share City Hall Internet	\$17.85
	59480	482016-9/16	9/29/16	Inspection Share City Hall Internet	\$17.85
	59480	482016-9/16	9/29/16	Economic Dev Share City Hall Internet	\$17.85
	59480	482016-9/16	9/29/16	Planning Share City Hall Internet	\$17.85
	59480	482016-9/16	9/29/16	Finance Share City Hall Internet	\$17.85
	59480	482016-9/16	9/29/16	IS Share City Hall Internet	\$17.87
	59480	482016-9/16	9/29/16	Engineering Share City Hall Internet	\$17.85
	59480	475077-9/16	9/29/16	Skate Park Video	\$111.29
	59480	633360-10/16	9/29/16	Carnegie Internet	\$135.71
				Check Total	\$407.71
Evergreen District Court					
	59481	August 2016	9/29/16	Case filing fees August 2016	\$2,379.12
	59481	August 2016	9/29/16	Interpreter	\$139.11
				Check Total	\$2,518.23
Fence Systems NW., Inc.					
	59482	0027489-IN	9/29/16	Repairs	\$1,227.38
				Check Total	\$1,227.38
Frontier					
	59483	118075-9/16	9/29/16	Telemetry Auto Dialer	\$73.05
	59483	406075-9/16	9/29/16	City Manager Share City Hall Fax	\$9.48
	59483	406075-9/16	9/29/16	Human Resources Share City Hall	\$9.46
	59483	406075-9/16	9/29/16	Clerk Share City Hall Fax	\$9.46
	59483	406075-9/16	9/29/16	Building Inspection Share City Hall Fax	\$9.46
	59483	406075-9/16	9/29/16	Economic Development Share City Hall Fax	\$9.46
	59483	406075-9/16	9/29/16	Planning Share City Hall Fax	\$9.46
	59483	406075-9/16	9/29/16	Finance Share City Hall Fax	\$9.47
	59483	406075-9/16	9/29/16	IS Share City Hall Fax	\$9.46
	59483	406075-9/16	9/29/16	Engineering Share City Hall Fax	\$9.46
				Check Total	\$158.22
GCR Tires & Service					
	59484	801-33020	9/29/16	repair EP25	\$119.69
	59484	801-33108	9/29/16	parts EP25	\$204.03
				Check Total	\$323.72
Girard Resources & Recycling, LLC					
	59485	36634	9/29/16	materials	\$128.00
	59485	36778	9/29/16	materials	\$241.76
				Check Total	\$369.76
Granite Construction Supply					
	59486	262_00064829	9/29/16	supplies	\$578.76
	59486	262_00064848	9/29/16	parts	\$222.33
	59486	262_00065184	9/29/16	parts	\$3,937.94
	59486	262_00064814	9/29/16	supplies	\$96.10
				Check Total	\$4,835.13

CONSENT ITEM 9a

Schedule of Checks for the Checks Issued Since the September 20, 2016 Meeting

Name	Check #	Invoice #	Check Date	Description	Amount
Grainger Inc.					
	59487	9219068609	9/29/16	parts	\$277.75
	59487	9218128941	9/29/16	supplies	\$167.62
				Check Total	\$445.37
H.B. Jaeger					
	59488	176891/1	9/29/16	parts	\$97.70
				Check Total	\$97.70
Home Depot - Parks					
	59489	9011403	9/29/16	supplies	\$116.04
	59489	3580256	9/29/16	supplies	\$47.00
	59489	9595001	9/29/16	equipment, supplies	\$245.89
				Check Total	\$408.93
Home Depot - Streets					
	59490	1070382	9/29/16	equipment	\$40.37
				Check Total	\$40.37
Home Depot - Storm					
	59491	1012700	9/29/16	supplies	\$52.52
	59491	2570919	9/29/16	supplies	\$7.90
	59491	2570908	9/29/16	supplies	\$2.91
	59491	6070065	9/29/16	supplies	\$29.28
				Check Total	\$92.61
HD Supply Waterworks LTD					
	59492	G011072	9/29/16	equipment	\$158.20
	59492	F873823	9/29/16	parts	\$118.66
	59492	G033996	9/29/16	parts	\$24.04
	59492	F901819	9/29/16	equipment	\$1,229.49
				Check Total	\$1,530.39
Home Depot - Water					
	59493	7595152	9/29/16	supplies	\$47.32
	59493	7070010	9/29/16	supplies	\$574.83
	59493	7111891	9/29/16	return supplies	\$-33.57
	59493	0561283	9/29/16	supplies	\$8.37
				Check Total	\$596.95
Home Depot Waste Water Treatment					
	59494	2012460	9/29/16	supplies	\$121.82
	59494	7011744	9/29/16	parts	\$71.74
	59494	9012976	9/29/16	parts	\$35.96
	59494	0012806	9/29/16	supplies	\$8.65
	59494	4013710	9/29/16	supplies	\$31.44
				Check Total	\$269.61
Integra Telecom					
	59495	14140058	9/29/16	City Hall Phones	\$2,068.00
	59495	14145381	9/29/16	Water Reservoir	\$62.13
				Check Total	\$2,130.13
Jones Chemicals Inc					
	59496	701121	9/29/16	CI2 Cylinders	\$2,589.25
	59496	701216	9/29/16	Cylinder Return	\$-500.00
				Check Total	\$2,089.25
Wessel					
	59497	09222016	9/29/16	meal reimbursement	\$16.00
				Check Total	\$16.00
Kinnamon Communications					
	59498	09162016	9/29/16	Website Content Contract	\$1,250.00

CONSENT ITEM 9a***Schedule of Checks for the Checks Issued Since the September 20, 2016 Meeting***

<i>Name</i>	<i>Check #</i>	<i>Invoice #</i>	<i>Check Date</i>	<i>Description</i>	<i>Amount</i>
					Check Total
					\$1,250.00
Lakeside Industries					
	59499	1608019S	9/29/16	supplies	\$4.23
					Check Total
					\$4.23
McDaniel Do It Center - Parks					
	59500	478206	9/29/16	supplies	\$32.62
	59500	478199	9/29/16	parts	\$56.22
	59500	478334	9/29/16	supplies	\$8.17
	59500	478137	9/29/16	supplies	\$32.62
	59500	478357	9/29/16	parts	\$17.41
	59500	478337	9/29/16	supplies	\$6.31
	59500	478468	9/29/16	parts	\$13.64
	59500	478461	9/29/16	supplies	\$51.77
					Check Total
					\$218.76
McDaniel Do It Center - Storm					
	59501	478213	9/29/16	supplies	\$54.53
	59501	478052	9/29/16	supplies	\$19.63
					Check Total
					\$74.16
McDaniel Do It Center-SS					
	59502	478063	9/29/16	parts EP2	\$2.39
	59502	478235	9/29/16	materials EP57	\$24.47
	59502	478295	9/29/16	supplies EP57	\$8.42
	59502	477767	9/29/16	parts EP109	\$25.37
	59502	477950	9/29/16	equipment EP180	\$6.95
	59502	477876	9/29/16	supplies	\$37.07
	59502	478019	9/29/16	equipment	\$15.25
					Check Total
					\$119.92
McDaniel Do It Center- Streets					
	59503	477875	9/29/16	concrete	\$19.57
	59503	478217	9/29/16	concrete	\$6.52
	59503	478463	9/29/16	supplies	\$6.52
					Check Total
					\$32.61
McDaniel Do It Center - Water					
	59504	478049	9/29/16	parts	\$17.86
	59504	478192	9/29/16	supplies	\$68.05
	59504	478053	9/29/16	cement	\$4.90
					Check Total
					\$90.81
McDaniel's Do It Center Wastewater					
	59505	478083	9/29/16	supplies	\$28.36
					Check Total
					\$28.36
Nelson Petroleum					
	59506	0595945-IN	9/29/16	Diesel for generator	\$1,102.14
					Check Total
					\$1,102.14
North Sound Hose & Fitting Inc					
	59507	76134	9/29/16	parts	\$278.25
	59507	76208	9/29/16	parts	\$1,441.18
					Check Total
					\$1,719.43
Puget Sound Energy					
	59508	2878609072016	9/29/16	112 Union Ave	\$36.43
	59508	9467809072016	9/29/16	116 Union Ave	\$39.32
	59508	2836409072016	9/29/16	1610 Park Ave	\$37.60
	59508	9758909072016	9/29/16	50 Maple Ave	\$80.27
	59508	9703209072016	9/29/16	2000 Weaver Rd	\$12.16

CONSENT ITEM 9a

Schedule of Checks for the Checks Issued Since the September 20, 2016 Meeting

Name	Check #	Invoice #	Check Date	Description	Amount
	59508	2857009072016	9/29/16	701 18th St	\$37.60
	59508	6202409072016	9/29/16	50 Lincoln Ave	\$80.27
	59508	2924809072016	9/29/16	2100 Baird Ave	\$94.47
				Check Total	\$418.12
Puget Sound Regional Council					
	59509	2017071A	9/29/16	2017 Dues	\$3,164.00
				Check Total	\$3,164.00
Ricoh USA, Inc					
	59510	5044455817	9/29/16	Public Works Shop Copier	\$8.28
				Check Total	\$8.28
River City Land Services					
	59511	1943	9/29/16	Edits to Ordinance 2314 Exhibits	\$90.00
				Check Total	\$90.00
Riverside Topsoil Inc					
	59512	15183	9/29/16	materials	\$388.34
				Check Total	\$388.34
Rubatino Refuse Removal Inc					
	59513	354409012016	9/29/16	Waste Container	\$907.32
				Check Total	\$907.32
Ryan Deleuw					
	59514	09162016	9/29/16	CDL Renewal License	\$156.00
	59514	09222016	9/29/16	meal reimbursement	\$16.00
				Check Total	\$172.00
Snohomish County Department of Public Works					
	59515	I000417846	9/29/16	Blackmans Lake Monitoring	\$5,450.00
				Check Total	\$5,450.00
Snohomish County Finance Department/Solid Waste					
	59516	69002	9/29/16	vactor grit	\$1,033.00
				Check Total	\$1,033.00
Sno Country Farm					
	59517	Reimb 2016	9/29/16	Refund Cleaning Deposit	\$500.00
				Check Total	\$500.00
Snohomish County Public Defender Association					
	59518	1597	9/29/16	Indigent Defense Services	\$9,205.61
	59518	1596	9/29/16	Indigent Defense Services	\$9,205.61
				Check Total	\$18,411.22
Snohomish County Pud #1					
	59519	107869368	9/29/16	#1000467578, 1301 1st, Visitor Info Cntr	\$64.50
	59519	147487331	9/29/16	#1000430944, 112 Union, Eng Bldg	\$85.34
	59519	131057055	9/29/16	#1000558695, 1029 1st, Downtown Restroom	\$65.34
	59519	124446355	9/29/16	#1000137618, 1801 1st, Shop	\$338.15
	59519	124446040	9/29/16	#1000125557, 116 Union, City Hall	\$450.73
	59519	117809497	9/29/16	#1000125182, 230 Maple, Police Bldg	\$614.14
	59519	107869434	9/29/16	#1000524038, 1801 1st, Pole Bldg	\$28.57
	59519	114500796	9/29/16	#1000515696, 1627 Terrace, N Zone	\$17.38
	59519	107872479	9/29/16	#1000230125, 219 13th, S Zone Res	\$43.31
	59519	150767246	9/29/16	#1000531586, 2621 Bickford, S Signal	\$28.01
	59519	144191391	9/29/16	#1000580435, 400 2nd, Street Lighting	\$31.73
	59519	150770626	9/29/16	116 Avenue B, Street Lighting	\$8.30
	59519	150770615	9/29/16	#1000579410, 1115 1st, Street Lighting	\$19.73
	59519	137561236	9/29/16	121 Glen Avenue, Street Lighting	\$8.30
	59519	134349913	9/29/16	#1000301981, 201 Maple, Signal	\$48.39
	59519	127748993	9/29/16	#1000504619, 434 Ave D, Signal	\$58.53

CONSENT ITEM 9a

Schedule of Checks for the Checks Issued Since the September 20, 2016 Meeting

Name	Check #	Invoice #	Check Date	Description	Amount
	59519	117811845	9/29/16	#1000498870, 210 Ave D, Signal	\$47.36
	59519	117810878	9/29/16	116 Union Avenue, Street Lighting	\$63.00
	59519	150770627	9/29/16	124 Avenue B, Street Lighting	\$8.30
	59519	166900670	9/29/16	#1000561224, 1301 1st, Traffic Signal	\$62.91
	59519	157220034	9/29/16	#1000539313, 1010 2nd, Street Lighting	\$44.85
	59519	140869295	9/29/16	#1000385041, 20 Ave A, Street Lighting	\$26.52
	59519	160421551	9/29/16	#1000125814, 1819 1st, CSO	\$338.30
	59519	147489722	9/29/16	#1000417350, 1930 Stone Ridge, L/S	\$26.82
	59519	107869970	9/29/16	#1000556519, 2181 Cady Dr, Shadowood	\$32.67
	59519	163637724	9/29/16	#1000528484, 2330 Baird, Clarkes Pond	\$34.92
	59519	131059733	9/29/16	#1000201937, 1103 Maple Ave, House	\$23.45
	59519	114501427	9/29/16	#1000125224, 101 Cedar Ave, Carnegie	\$393.73
	59519	111180947	9/29/16	#1000141396, 2015 2nd, N Meter	\$11,302.89
	59519	111177909	9/29/16	#1000539338, 1801 1st, Shop Portable	\$50.72
	59519	111177909	9/29/16	#1000539338, 1801 1st, Shop Portable	\$50.72
				Check Total	\$14,417.61
Snohomish County Sheriff's Office					
	59520	I000418093	9/29/16	Law Enforcement Services September 2016	\$10,854.11
	59520	I000418093	9/29/16	Law Enforcement Services September 2016	\$180,427.53
	59520	I000418093	9/29/16	Law Enforcement Services September 2016	\$33,807.61
				Check Total	\$225,089.25
Snohomish County Sheriff's Office Corrections					
	59521	2016-3357	9/29/16	Jail Inmate Pharmaceutical Costs	\$13.32
				Check Total	\$13.32
Snohomish Auto Parts					
	59522	469134	9/29/16	parts EP100	\$20.72
	59522	467795	9/29/16	parts EP101	\$33.92
	59522	468432	9/29/16	equipment	\$5.07
	59522	468331	9/29/16	parts EP224	\$35.98
	59522	468703	9/29/16	parts EP48	\$89.15
	59522	468069	9/29/16	parts EP109	\$15.81
				Check Total	\$200.65
Snohomish Co-Op					
	59523	267418	9/29/16	propane	\$11.72
	59523	267158	9/29/16	propane	\$13.67
				Check Total	\$25.39
Snopac					
	59524	8500	9/29/16	Dispatch Services	\$11,723.71
				Check Total	\$11,723.71
Snohomish Senior Center					
	59525	16-540	9/29/16	Monthly Fee	\$1,000.00
				Check Total	\$1,000.00
SoftwareONE Inc					
	59526	US-PSI-519583	9/29/16	Anti-virus software renewal	\$2,587.85
	59526	US-PSI-518836	9/29/16	Email spam anti-virus & archival software	\$2,293.83
				Check Total	\$4,881.68
Sound Telecom					
	59527	000007-513-631	9/29/16	monthly answering service September 2016	\$124.84
				Check Total	\$124.84
Speer Taps Inc					
	59528	19063	9/29/16	equipment	\$6,745.60
				Check Total	\$6,745.60
Steuber Dist. Co.					
	59529	2827697	9/29/16	supplies	\$130.81
				Check Total	\$130.81

CONSENT ITEM 9a***Schedule of Checks for the Checks Issued Since the September 20, 2016 Meeting***

<i>Name</i>	<i>Check #</i>	<i>Invoice #</i>	<i>Check Date</i>	<i>Description</i>	<i>Amount</i>
Strategies 360					
	59530	772-18804	9/29/16	Professional Services	\$246.74
				Check Total	\$246.74
Taylor's Excavators Inc					
	59531	Pay Est 1	9/29/16	30th Street Widening Project	\$256,082.49
				Check Total	\$256,082.49
Taylor's Excavators Inc					
	59532	RET Pay Est 1	9/29/16	Retainage 30th Street Widening Project	\$13,478.03
				Check Total	\$13,478.03
Sound Publishing					
	59533	EDH721443	9/29/16	#08-16-CPA Notice of DNS	\$101.48
	59533	EDH720475	9/29/16	#13-16-SEPA Notice of DNS	\$101.48
	59533	1675115	9/29/16	City Council Agenda Publications	\$648.00
	59533	1677528	9/29/16	City Council Agenda Publications	\$648.00
				Check Total	\$1,498.96
Traffic Safety Supply Co					
	59534	118351	9/29/16	materials	\$603.35
	59534	118201	9/29/16	materials	\$214.84
				Check Total	\$818.19
Unum Life Insurance					
	59535	220603027-10/16	9/29/16	retiree life insurance - October 2016	\$130.50
				Check Total	\$130.50
US Bank CPS					
	59536	2016259046	9/29/16	CDL Physical - Ryan Deleuw	\$120.00
	59536	34368	9/29/16	Fred Meyer supplies	\$47.99
	59536	6	9/29/16	Sno County Sewer Easement Documents	\$13.50
	59536	2931450243	9/29/16	O'Reilly Auto parts return	\$-3.22
	59536	12674	9/29/16	Kohls uniform - Bender	\$179.96
	59536	2395682	9/29/16	Fred Meyer water	\$9.96
	59536	66950	9/29/16	Collector's Choice MAG Meeting	\$17.18
	59536	206311	9/29/16	Cabbage Patch Meeting with Lake Stevens	\$48.36
	59536	74393337	9/29/16	Snohomish Chamber of Commerce Meeting	\$30.00
	59536	7959	9/29/16	Snohomish County Garage Parking	\$3.00
	59536	151291	9/29/16	Everett Steel supplies	\$25.05
				Check Total	\$491.78
U.S. Postmaster					
	59537	090216-090816	9/29/16	City Manager Postage	\$0.93
	59537	090216-090816	9/29/16	Clerk Postage	\$43.15
	59537	090216-090816	9/29/16	Finance Postage	\$36.74
	59537	090216-090816	9/29/16	Police Postage	\$6.65
	59537	090216-090816	9/29/16	Planning Postage	\$11.16
	59537	090916-091516	9/29/16	City Manager Postage	\$4.03
	59537	090916-091516	9/29/16	Clerk Postage	\$12.09
	59537	090916-091516	9/29/16	Finance Postage	\$13.49
	59537	090916-091516	9/29/16	Police Postage	\$1.82
	59537	090916-091516	9/29/16	Planning Postage	\$55.79
	59537	090916-091516	9/29/16	Engineering Postage	\$1.57
	59537	090916-091516	9/29/16	Water Postage	\$4.65
	59537	091616-092216	9/29/16	Council Postage	\$1.57
	59537	091616-092216	9/29/16	City Manager Postage	\$0.47
	59537	091616-092216	9/29/16	Clerk Postage	\$131.99
	59537	091616-092216	9/29/16	Finance Postage	\$34.37

CONSENT ITEM 9a

Schedule of Checks for the Checks Issued Since the September 20, 2016 Meeting

<i>Name</i>	<i>Check #</i>	<i>Invoice #</i>	<i>Check Date</i>	<i>Description</i>	<i>Amount</i>
	59537	091616-092216	9/29/16	Police Postage	\$4.49
	59537	091616-092216	9/29/16	Planning Postage	\$10.91
	59537	091616-092216	9/29/16	Engineering Postage	\$1.15
	59537	091616-092216	9/29/16	Water Postage	\$6.05
				Check Total	\$383.07
Utilities Underground Location					
	59538	6080204	9/29/16	August locates	\$25.15
	59538	6080204	9/29/16	August locates	\$25.15
	59538	6080204	9/29/16	August locates	\$25.16
				Check Total	\$75.46
Verizon Wireless					
	59539	9771522426	9/29/16	Parks Cellular	\$164.27
	59539	9771522426	9/29/16	Streets Cellular	\$135.41
	59539	9771522426	9/29/16	Fleet Cellular	\$96.78
	59539	9771522426	9/29/16	Econ Cellular	\$57.72
	59539	9771522426	9/29/16	Bldg Insp Cellular	\$57.72
	59539	9771522426	9/29/16	Police Cellular	\$57.72
	59539	9771522426	9/29/16	Engrg Cellular	\$270.89
	59539	9771522426	9/29/16	Water Distribution Cellular	\$252.64
	59539	9771522426	9/29/16	WTP Cellular	\$228.02
	59539	9771522426	9/29/16	Collections Cellular	\$204.25
	59539	9771522426	9/29/16	Storm Cellular	\$117.26
	59539	9771522426	9/29/16	WWTP Cellular	\$173.16
	59539	9771522426	9/29/16	Utilities Manager Cellular	\$57.72
	59539	9771522426	9/29/16	City Mgr Cellular	\$57.72
	59539	9771522426	9/29/16	Finance Director Cellular	\$57.72
	59539	9771522426	9/29/16	City Council Cellular	\$404.02
	59539	9771738943	9/29/16	CSO Modem	\$22.80
				Check Total	\$2,415.82
Washington Association of Building Officials					
	59540	32820	9/29/16	Permit Tech Education Books	\$58.05
	59540	32820	9/29/16	Permit Tech Education Books	\$58.05
				Check Total	\$116.10
Washington Audiology Services					
	59541	49304	9/29/16	Hearing Conservation Program	\$936.50
				Check Total	\$936.50
Western Facilities Supply Inc					
	59542	008973	9/29/16	supplies	\$1,967.94
				Check Total	\$1,967.94
Washington State Patrol					
	59543	I17001501	9/29/16	Fingerprint Background Fees August 2016	\$162.25
				Check Total	\$162.25
				Batch Total	\$656,090.63
				Total All Batches	\$658,304.29

I hereby certify that the goods and services charged on the vouchers listed below have been furnished to the best of my knowledge. I further certify that the claims below to be valid and correct.

City Treasurer

CONSENT ITEM 9a

Schedule of Checks for the Checks Issued Since the September 20, 2016 Meeting

<i>Name</i>	<i>Check #</i>	<i>Invoice #</i>	<i>Check Date</i>	<i>Description</i>	<i>Amount</i>
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WE, the undersigned council members of the City of Snohomish, Washington, do hereby certify that the claim warrants #59453 through #59543 in the total of \$658,304.29 through September 29, 2016 are approved for payment on October 18, 2016.

Mayor

Councilmember

Councilmember

Councilmember

CONSENT ITEM 9a***Schedule of Checks for the Checks Issued Since the September 20, 2016 Meeting***

<i>Name</i>	<i>Check #</i>	<i>Invoice #</i>	<i>Check Date</i>	<i>Description</i>	<i>Amount</i>
DiPasquale					
	59544		10/12/16	Refund check	\$176.83
				Check Total	\$176.83
Hartford					
	59545		10/12/16	Refund check	\$4.97
	59545		10/12/16	Refund check	\$302.59
				Check Total	\$307.56
McCandlis					
	59546		10/12/16	Refund check	\$380.00
				Check Total	\$380.00
Rob Perasso					
	59547		10/12/16	Refund check	\$8.55
	59547		10/12/16	Refund check	\$0.72
	59547		10/12/16	Refund check	\$13.50
				Check Total	\$22.77
				Batch Total	\$887.16
A WorkSAFE Service, Inc					
	59548	232196	10/12/16	CDL Test	\$35.00
				Check Total	\$35.00
Ace Equipment Rentals					
	59549	66875	10/12/16	Equipment Rental	\$1,036.45
				Check Total	\$1,036.45
AdCoasters					
	59550	SWA-005	10/12/16	Stormwater Education & Outreach Material	\$415.00
				Check Total	\$415.00
Allied Waste of Lynnwood					
	59551	September 2016	10/12/16	Recycling Services September 2016	\$47,521.58
	59551	September 2016	10/12/16	Solid Waste Services September 2016	\$104,580.33
	59551	September 2016	10/12/16	Solid Waste Tax September 2016	\$-455.95
				Check Total	\$151,645.96
Alpha Courier Service					
	59552	15741	10/12/16	Lab Courier	\$239.00
				Check Total	\$239.00
Washington Tractor					
	59553	1123424	10/12/16	parts EP33	\$45.80
				Check Total	\$45.80
Benchmark Document Solutions					
	59554	11065	10/12/16	City Hall Fax Machine	\$17.16
				Check Total	\$17.16
Bickford Motors					
	59555	1102653	10/12/16	parts EP9	\$33.81
				Check Total	\$33.81
Chemsearch					
	59556	2459521	10/12/16	Drain Cobra Program	\$141.84
				Check Total	\$141.84
Clair Olivers & Associates					
	59557	323	10/12/16	Water Supply Study	\$294.00
	59557	333	10/12/16	Water Supply Study	\$728.00
				Check Total	\$1,022.00
City of Everett Finance					
	59558	I16002408	10/12/16	Labs	\$111.50
	59558	I16002407	10/12/16	Stormwater Samples	\$135.00

CONSENT ITEM 9a***Schedule of Checks for the Checks Issued Since the September 20, 2016 Meeting***

<i>Name</i>	<i>Check #</i>	<i>Invoice #</i>	<i>Check Date</i>	<i>Description</i>	<i>Amount</i>
	59558	116002386	10/12/16	Coliform Samples	\$464.40
				Check Total	\$710.90
Comcast					
	59559	475077-10/16	10/12/16	Skate Park Video	\$101.79
	59559	482016-10/16	10/12/16	Manager Share City Hall Internet	\$16.80
	59559	482016-10/16	10/12/16	Human Resources Share City Hall Internet	\$16.80
	59559	482016-10/16	10/12/16	Clerk Share City Hall Internet	\$16.80
	59559	482016-10/16	10/12/16	Inspection Share City Hall Internet	\$16.80
	59559	482016-10/16	10/12/16	Economic Dev Share City Hall Internet	\$16.80
	59559	482016-10/16	10/12/16	Planning Share City Hall Internet	\$16.80
	59559	482016-10/16	10/12/16	Finance Share City Hall Internet	\$16.80
	59559	482016-10/16	10/12/16	IS Share City Hall Internet	\$16.81
	59559	482016-10/16	10/12/16	Engineering Share City Hall Internet	\$16.80
	59559	892709-10/16	10/12/16	Water Share Shop Internet	\$18.55
	59559	892709-10/16	10/12/16	Storm Share Shop Internet	\$18.56
	59559	892709-10/16	10/12/16	Wastewater Share Shop Internet	\$18.56
	59559	892709-10/16	10/12/16	Streets Share Shop Internet	\$18.56
	59559	892709-10/16	10/12/16	Parks Share Shop Internet	\$9.27
	59559	892709-10/16	10/12/16	Fleet & Facilities Share Shop Internet	\$27.82
				Check Total	\$364.32
DogSport Gear					
	59560	DSG-27573	10/12/16	supplies	\$450.82
				Check Total	\$450.82
Dunlap Industry					
	59561	1373300-01	10/12/16	equipment	\$2,145.51
				Check Total	\$2,145.51
Edge Analytical					
	59562	16-21687	10/12/16	Source Samples	\$222.00
				Check Total	\$222.00
Everett Stamp Works					
	59563	19784	10/12/16	Nameplate - Ron McNurlen	\$22.80
				Check Total	\$22.80
Frontier					
	59564	227125-9/16	10/12/16	CSO Alarm Dialer	\$58.47
	59564	413125-9/16	10/12/16	WWTP DSL	\$79.99
				Check Total	\$138.46
Girard Resources & Recycling, LLC					
	59565	36915	10/12/16	yard debri	\$290.00
				Check Total	\$290.00
Gray & Osborne, Inc.					
	59566	10	10/12/16	Sewer Mobile Maintenance App	\$2,341.37
	59566	7	10/12/16	Storm NPDES Permit Assistance	\$425.86
	59566	3	10/12/16	WWTP Dike Mgmt Plan	\$311.95
				Check Total	\$3,079.18
Granite Construction Supply					
	59567	262_00065149	10/12/16	parts	\$162.26
				Check Total	\$162.26
Grainger Inc.					
	59568	9226015379	10/12/16	supplies	\$135.28
	59568	9235576056	10/12/16	supplies	\$34.91
	59568	9235576056	10/12/16	supplies	\$34.91
				Check Total	\$205.10

CONSENT ITEM 9a***Schedule of Checks for the Checks Issued Since the September 20, 2016 Meeting***

<i>Name</i>	<i>Check #</i>	<i>Invoice #</i>	<i>Check Date</i>	<i>Description</i>	<i>Amount</i>
H2O Solutions, LLC					
	59569	091614527	10/12/16	Water Intake Cleaning	\$3,984.90
				Check Total	\$3,984.90
H.B. Jaeger					
	59570	177909/1	10/12/16	parts	\$103.61
	59570	177339/1	10/12/16	parts	\$859.52
	59570	177910/1	10/12/16	parts	\$44.19
				Check Total	\$1,007.32
Home Depot - Shop					
	59571	9012899	10/12/16	parts	\$68.08
	59571	3580268	10/12/16	supplies	\$78.97
	59571	2090364	10/12/16	supplies	\$5.42
				Check Total	\$152.47
Home Depot - Storm					
	59572	9181496	10/12/16	supplies	\$91.58
	59572	2181345	10/12/16	supplies	\$37.67
	59572	9014425	10/12/16	supplies	\$8.67
	59572	9014377	10/12/16	supplies	\$7.79
	59572	9010244	10/12/16	parts	\$10.89
				Check Total	\$156.60
HD Supply Waterworks LTD					
	59573	G177019	10/12/16	water meters	\$516.46
	59573	G159155	10/12/16	water meters	\$1,773.96
	59573	G159215	10/12/16	water meters	\$2,340.20
				Check Total	\$4,630.62
Home Depot - Water					
	59574	561292	10/12/16	parts	\$10.55
				Check Total	\$10.55
International Institute of Municipal Clerks					
	59575	1037	10/12/16	IIMC Membership	\$160.00
				Check Total	\$160.00
Integra Telecom					
	59576	14165162	10/12/16	City Hall Digital Phone	\$68.44
	59576	14166127	10/12/16	Water Treatment Plant Phones	\$184.00
	59576	14165593	10/12/16	Water Department Share Shop Phones	\$54.17
	59576	14165593	10/12/16	Street Dept. Share Shop Phone	\$54.16
	59576	14165593	10/12/16	Parks Share Shop Phones	\$27.06
	59576	14165593	10/12/16	Fleet & Facilities Share Shop Phone	\$81.19
	59576	14165593	10/12/16	Collections Share Shop Phone	\$54.16
	59576	14165593	10/12/16	Storm Share Shop Phone	\$54.16
	59576	14165722	10/12/16	Waste Water Treatment Plant Phone	\$189.77
				Check Total	\$767.11
Wonderware PacWest					
	59577	SIN000730	10/12/16	Annual Renewal Fee	\$3,322.54
	59577	SIN000730	10/12/16	Annual Renewal Fee	\$3,322.54
	59577	SIN000730	10/12/16	Annual Renewal Fee	\$3,322.54
	59577	SIN000730	10/12/16	Annual Renewal Fee	\$3,322.56
				Check Total	\$13,290.18
Koi Simpson					
	59578	09222016	10/12/16	meal reimbursement	\$16.00
				Check Total	\$16.00

CONSENT ITEM 9a***Schedule of Checks for the Checks Issued Since the September 20, 2016 Meeting***

<i>Name</i>	<i>Check #</i>	<i>Invoice #</i>	<i>Check Date</i>	<i>Description</i>	<i>Amount</i>
Lakeside Industries					
	59579	6014388MB	10/12/16	supplies	\$41.10
				Check Total	\$41.10
Lloyd Enterprises Inc					
	59580	198420	10/12/16	supplies	\$2,069.98
				Check Total	\$2,069.98
McDaniel Do It Center - Police					
	59581	478663	10/12/16	supplies	\$13.08
				Check Total	\$13.08
McDaniel Do It Center - Parks					
	59582	478661	10/12/16	supplies	\$29.74
	59582	478815	10/12/16	supplies	\$33.78
	59582	478831	10/12/16	supplies	\$14.72
	59582	479010	10/12/16	supplies	\$27.96
	59582	478715	10/12/16	equipment	\$9.04
	59582	478918	10/12/16	supplies	\$42.54
	59582	478853	10/12/16	supplies	\$8.71
	59582	478704	10/12/16	supplies	\$38.13
	59582	478674	10/12/16	parts	\$12.43
	59582	479145	10/12/16	supplies	\$39.60
				Check Total	\$256.65
McDaniel Do It Center - Storm					
	59583	478763	10/12/16	parts	\$1.65
	59583	478473	10/12/16	parts	\$3.53
	59583	478795	10/12/16	parts	\$6.51
	59583	479102	10/12/16	parts	\$18.54
				Check Total	\$30.23
McDaniel Do It Center-SS					
	59584	478895	10/12/16	supplies EP44	\$5.43
	59584	478649	10/12/16	parts EP25	\$9.73
	59584	478510	10/12/16	supplies EP124	\$11.62
	59584	478488	10/12/16	supplies EP100	\$29.44
	59584	478833	10/12/16	supplies	\$141.82
	59584	478508	10/12/16	supplies	\$69.01
	59584	478703	10/12/16	parts EP25	\$3.91
	59584	478303	10/12/16	parts - EP2	\$13.68
				Check Total	\$284.64
McDaniel Do It Center- Streets					
	59585	478821	10/12/16	concrete	\$6.52
	59585	478848	10/12/16	supplies	\$21.81
	59585	478888	10/12/16	equipment	\$109.08
	59585	478886	10/12/16	concrete	\$26.10
	59585	478997	10/12/16	concrete	\$6.52
	59585	479082	10/12/16	parts	\$13.08
	59585	479041	10/12/16	supplies	\$3.26
	59585	479111	10/12/16	parts	\$2.27
				Check Total	\$188.64
McDaniel Do It Center - Water					
	59586	478863	10/12/16	parts	\$61.25
	59586	478796	10/12/16	parts	\$22.88
	59586	478788	10/12/16	supplies	\$50.62
	59586	478789	10/12/16	supplies	\$21.81
	59586	478164	10/12/16	supplies	\$85.07

CONSENT ITEM 9a***Schedule of Checks for the Checks Issued Since the September 20, 2016 Meeting***

<i>Name</i>	<i>Check #</i>	<i>Invoice #</i>	<i>Check Date</i>	<i>Description</i>	<i>Amount</i>
				Check Total	\$241.63
McDaniel's Do It Center Wastewater					
	59587	479053	10/12/16	parts	\$1.72
	59587	478929	10/12/16	parts	\$31.17
	59587	478862	10/12/16	supplies	\$8.36
	59587	478562	10/12/16	parts	\$19.62
				Check Total	\$60.87
Motor Truck Inc.					
	59588	ME105171	10/12/16	parts EP124	\$248.54
				Check Total	\$248.54
Northern Safety Equip Co					
	59589	902117413	10/12/16	safety glasses	\$150.66
				Check Total	\$150.66
North Sound Hose & Fitting Inc					
	59590	76519	10/12/16	parts	\$131.03
				Check Total	\$131.03
Northwest Cascade Inc					
	59591	0550138672	10/12/16	sani can rental - boat launch	\$212.85
	59591	0550138671	10/12/16	sani can rental - Shop	\$129.25
	59591	0550138670	10/12/16	sani can rental - Carnegie	\$172.32
	59591	0550138673	10/12/16	sani can rental - water reservoir	\$91.50
				Check Total	\$605.92
Process Solutions					
	59592	30291	10/12/16	On Call Services	\$633.11
	59592	30291	10/12/16	On Call Services	\$428.30
	59592	30291	10/12/16	On Call Services	\$113.30
	59592	30291	10/12/16	On Call Services	\$6,888.33
				Check Total	\$8,063.04
Questica Inc					
	59593	207574	10/12/16	Budget Report Customization	\$647.50
				Check Total	\$647.50
Snohomish County Department of Public Works					
	59594	I000418268	10/12/16	Traffic Light Maintenance	\$2,971.34
	59594	I000418266	10/12/16	Admin & Mobilization	\$8,488.03
	59594	I000418267	10/12/16	Sweeping	\$1,952.42
	59594	I000418267	10/12/16	Sweeping	\$1,952.42
	59594	I000418267	10/12/16	materials	\$10,299.88
				Check Total	\$25,664.09
Snohomish County Pud #1					
	59595	131064060	10/12/16	1330 Ferguson Park, Street Lighting	\$8.85
	59595	150777235	10/12/16	#1000272824, 24022 24th St, City House	\$16.34
	59595	147491428	10/12/16	#1000508263, 24021 24th Intake Structure	\$19.56
	59595	131064890	10/12/16	#1000370579, 1301 Ave D, Street Lighting	\$26.36
	59595	124455632	10/12/16	#1000368128, 700 Ave D, Street Lighting	\$23.65
	59595	137571005	10/12/16	#1000578758, 1501 Ave D, Street Lighting	\$71.60
	59595	104542150	10/12/16	#1000125213, 169 Cypress, Pilchuck Pk	\$205.79
	59595	134362364	10/12/16	#1000535766, 1610 Park, Hill Park	\$22.71
	59595	157234956	10/12/16	#1000545615, 1610 Park, Hill Park	\$16.85
	59595	134356047	10/12/16	#1000141397, 2015 2nd, South Meter	\$3,524.15
	59595	100263403	10/12/16	#1000381307, 2014 Terrace, Intertie	\$10.89
	59595	150778477	10/12/16	#1000575906, 400 Rainbow, Lift Station	\$34.29
	59595	137572826	10/12/16	#1000482443, 505 Rainier, Lift Station	\$382.44

CONSENT ITEM 9a***Schedule of Checks for the Checks Issued Since the September 20, 2016 Meeting***

<i>Name</i>	<i>Check #</i>	<i>Invoice #</i>	<i>Check Date</i>	<i>Description</i>	<i>Amount</i>
	59595	137573065	10/12/16	#1000542988, 50 Lincoln, Lift Station	\$73.08
	59595	134360326	10/12/16	#1000385243, 1329 Bonneville, L/S	\$23.74
	59595	150778640	10/12/16	#1000463019, 1801 Lakemount, Casino L/S	\$73.46
	59595	114508896	10/12/16	#1000395660, 617 18th, Champ L/S	\$94.28
	59595	114508761	10/12/16	#1000539970, 1608 Park, Hill Park L/S	\$67.38
	59595	114508297	10/12/16	#1000439204, 40 Maple, Cady Park L/S	\$40.87
	59595	121142070	10/12/16	#1000275828, 1110 Ferguson, L/S	\$77.05
	59595	124455608	10/12/16	#1000320746, 2504 Menzel, Water Plant	\$689.04
	59595	150780432	10/12/16	#1000483278, 1001 Ave D, Signal	\$34.33
	59595	150782053	10/12/16	#1000571566, 501 2nd St, Signal	\$67.21
	59595	100264354	10/12/16	#1000566359, 811 1st, Street Lighting	\$17.98
	59595	131066473	10/12/16	#1000380098, 1109 13th, Street Lighting	\$24.66
	59595	117821073	10/12/16	#1000531660, 9101 56th, Signal	\$74.28
				Check Total	\$5,720.84
Snohomish County Animal Control Services					
	59596	6552	10/12/16	Assist with animal case	\$412.00
				Check Total	\$412.00
Snohomish County Corrections					
	59597	2016-3381	10/12/16	Jail Service Fees August 2016	\$14,530.83
				Check Total	\$14,530.83
Snohomish County Visitor Information Center					
	59598	QTF09222	10/12/16	Tourism Training - Emge	\$30.00
				Check Total	\$30.00
Sherwin-Williams					
	59599	8263-2	10/12/16	painting supplies	\$32.05
	59599	5390-5	10/12/16	painting supplies	\$184.34
				Check Total	\$216.39
Snohomish Auto Parts					
	59600	471342	10/12/16	parts EP101	\$22.55
	59600	468747	10/12/16	supplies	\$13.80
	59600	470452	10/12/16	parts EP48	\$116.56
	59600	468305	10/12/16	parts EP109	\$55.25
	59600	470962	10/12/16	supplies	\$3.15
	59600	471184	10/12/16	parts EP44	\$9.26
	59600	468263	10/12/16	warranty credit	\$-69.80
	59600	470324	10/12/16	equipment	\$380.76
	59600	470453	10/12/16	supplies	\$12.90
	59600	471882	10/12/16	parts	\$124.18
	59600	471909	10/12/16	parts return	\$-19.64
				Check Total	\$648.97
Snohomish Co-Op					
	59601	267016	10/12/16	dyed fuel	\$57.92
	59601	267057	10/12/16	dyed fuel	\$54.70
	59601	268080	10/12/16	supplies	\$185.45
	59601	267787	10/12/16	unleaded fuel	\$38.60
	59601	267222	10/12/16	unleaded fuel	\$3.10
	59601	267321	10/12/16	unleaded fuel	\$29.11
	59601	267369	10/12/16	unleaded & diesel fuel	\$41.78
	59601	267707	10/12/16	propane	\$14.26
	59601	267908	10/12/16	supplies	\$15.56
				Check Total	\$440.48
Snohomish Historical Society					
	59602	09262016	10/12/16	Lodging Grant Reimbursement	\$4,600.00
				Check Total	\$4,600.00

CONSENT ITEM 9a

Schedule of Checks for the Checks Issued Since the September 20, 2016 Meeting

Name	Check #	Invoice #	Check Date	Description	Amount
Snohomish Senior Center					
	59603	16-551	10/12/16	Monthly Fee	\$1,000.00
				Check Total	\$1,000.00
Sound Equipment Rental and Sales					
	59604	12712	10/12/16	equipment	\$430.94
	59604	12695	10/12/16	equipment	\$785.52
	59604	12695	10/12/16	equipment	\$785.52
				Check Total	\$2,001.98
Staples Advantage					
	59605	34951	10/12/16	supplies	\$36.67
	59605	27600	10/12/16	supplies	\$95.77
				Check Total	\$132.44
Summit Law Group PLLC					
	59606	80581	10/12/16	Labor Relations	\$1,632.00
				Check Total	\$1,632.00
Sound Publishing					
	59607	EDH723708	10/12/16	Public Hearing Publication	\$25.80
	59607	EDH723746	10/12/16	Public Hearing Publication	\$27.52
	59607	EDH723750	10/12/16	Public Hearing Publication	\$24.08
				Check Total	\$77.40
Usa Bluebook Inc					
	59608	049823	10/12/16	return supplies	\$-63.00
	59608	058598	10/12/16	supplies	\$148.65
				Check Total	\$85.65
US Bank CPS					
	59609	76136	10/12/16	Facebook boost chat with Mayor event	\$20.00
	59609	677812	10/12/16	Amazon supplies	\$36.40
	59609	09232016	10/12/16	PSRC Parking	\$14.00
	59609	1297855	10/12/16	Amazon supplies	\$22.21
	59609	4760208	10/12/16	Amazon supplies	\$38.16
	59609	97779	10/12/16	Safeway supplies	\$5.38
	59609	6643463	10/12/16	snoedc.com web hosting	\$99.50
	59609	WS0033532	10/12/16	snoedc.com domain renewal	\$14.95
	59609	7079454	10/12/16	Amazon parts	\$369.99
	59609	179133	10/12/16	Jensales parts EP161	\$89.39
	59609	7-253142	10/12/16	Olympic Brake Supply parts EP3	\$158.84
	59609	179162	10/12/16	Jensales parts	\$8.28
	59609	454741	10/12/16	Seattle Automotive Dist parts credit	\$-89.71
	59609	S3-1251700	10/12/16	Seattle Automotive Dist parts EP48	\$720.05
	59609	7-25314	10/12/16	Olympic Brake Supply parts credit	\$-317.68
	59609	150999	10/12/16	Everett Steel parts EP57	\$7.64
	59609	2-356305	10/12/16	Olympic Brake Supply parts credit	\$-122.19
	59609	10625	10/12/16	Batterson Truck equipment	\$2,480.90
	59609	71819	10/12/16	Safeway supplies	\$10.76
	59609	625	10/12/16	pncwa training - Buse	\$460.00
	59609	624	10/12/16	pncwa training - Debardi	\$460.00
	59609	7657079	10/12/16	Amazon supplies	\$127.56
	59609	1913869	10/12/16	Amazon supplies	\$71.18
	59609	4109014	10/12/16	Amazon supplies	\$31.15
	59609	7163177679	10/12/16	Staples supplies	\$42.78
	59609	9901044	10/12/16	Amazon supplies	\$57.69
	59609	7161743528	10/12/16	Staples supplies	\$130.70
	59609	5389809	10/12/16	Amazon supplies	\$84.56

CONSENT ITEM 9a***Schedule of Checks for the Checks Issued Since the September 20, 2016 Meeting***

<i>Name</i>	<i>Check #</i>	<i>Invoice #</i>	<i>Check Date</i>	<i>Description</i>	<i>Amount</i>
	59609	10644	10/12/16	Snohomish County Parking	\$3.00
	59609	7942	10/12/16	Dept Graphics supplies	\$421.52
	59609	206311	10/12/16	Cabbage Patch Meeting with Lake Stevens	\$9.00
	59609	315	10/12/16	Comserv Copies oversized copies	\$1.36
				Check Total	\$5,467.37
U.S. Postmaster					
	59610	092316-092916	10/12/16	Council Postage	\$0.94
	59610	092316-092916	10/12/16	Clerk Postage	\$31.92
	59610	092316-092916	10/12/16	Finance Postage	\$15.51
	59610	092316-092916	10/12/16	Police Postage	\$10.71
	59610	092316-092916	10/12/16	Planning Postage	\$19.40
	59610	092316-092916	10/12/16	Water Postage	\$132.74
	59610	092316-092916	10/12/16	Sewer Postage	\$133.19
	59610	093016-100616	10/12/16	Council Postage	\$11.94
	59610	093016-100616	10/12/16	City Manager Postage	\$0.47
	59610	093016-100616	10/12/16	Clerk Postage	\$58.35
	59610	093016-100616	10/12/16	Finance Postage	\$33.90
	59610	093016-100616	10/12/16	Police Postage	\$9.68
	59610	093016-100616	10/12/16	Planning Postage	\$31.53
	59610	093016-100616	10/12/16	Parks Postage	\$0.93
	59610	093016-100616	10/12/16	Public Works Postage	\$0.93
				Check Total	\$492.14
Utilities Underground Location					
	59611	6090211	10/12/16	Sept locates	\$32.85
	59611	6090211	10/12/16	Sept locates	\$32.85
	59611	6090211	10/12/16	Sept locates	\$32.86
				Check Total	\$98.56
Voyager					
	59612	869344283632	10/12/16	balance of invoice 869344283632	\$669.89
	59612	869344283640	10/12/16	Vehicle Fuel	\$3,086.15
				Check Total	\$3,756.04
Weed, Graafstra & Associates, Inc. P.S.					
	59613	190	10/12/16	Litigation	\$1,605.45
	59613	213	10/12/16	Litigation	\$358.75
	59613	213	10/12/16	Litigation	\$87.50
	59613	213	10/12/16	Litigation	\$18,101.50
				Check Total	\$20,153.20
Wetlands Creation Inc					
	59614	Pay Est 2	10/12/16	Blackmans Lk Outlet Improvement Project	\$103,207.51
				Check Total	\$103,207.51
Wetlands Creation Inc					
	59615	RET Pay Est 2	10/12/16	Retainage Blackmans Lk Outlet Project	\$5,431.97
				Check Total	\$5,431.97
Washington State Dept of Ecology					
	59616	2017-BA0029548	10/12/16	Biosolids Permit	\$1,035.85
				Check Total	\$1,035.85
Washington State Department of Enterprise Services					
	59617	73152721	10/12/16	envelopes	\$273.60
	59617	73152722	10/12/16	envelopes	\$53.87
				Check Total	\$327.47
Washington State Department of Revenue					
	59618	Q316	10/12/16	Leasehold Tax Return Quarter 3	\$1,032.33
				Check Total	\$1,032.33

CONSENT ITEM 9a

Schedule of Checks for the Checks Issued Since the September 20, 2016 Meeting

<i>Name</i>	<i>Check #</i>	<i>Invoice #</i>	<i>Check Date</i>	<i>Description</i>	<i>Amount</i>
Washington State Department of Transportation					
	59619	RE41JA8678L013	10/12/16	Inspection	\$875.99
				Check Total	\$875.99
Washington Wastewater Collection Personnell Assoc					
	59620	09272016	10/12/16	wwcpa training - Miller & Simpson	\$300.00
				Check Total	\$300.00
Xerox Corporation					
	59621	086474597	10/12/16	#NKA-119437, 063016-092316	\$154.53
	59621	086474596	10/12/16	#MX4-332344, 082116-092116	\$503.04
	59621	086474598	10/12/16	#XL1-395908, 082116-092116	\$41.66
	59621	086474601	10/12/16	#WTM-003709, 082116-092116	\$17.28
	59621	086474600	10/12/16	#XL3-882416, 082116-092116	\$48.78
	59621	086474599	10/12/16	#GNX-212028, 082616-092316	\$20.65
	59621	086474594	10/12/16	#GNX-216657, 082616-092316	\$61.86
				Check Total	\$847.80
Zumar Industries					
	59622	0184669	10/12/16	Street Pavement Preservation Signs	\$1,281.10
	59622	0184615	10/12/16	supplies	\$712.67
				Check Total	\$1,993.77
				Batch Total	\$401,845.70
Washington State Department of Revenue					
	ACH	August 2016	9/26/16	Excise Tax	Check Total
					\$28,098.92
	ACH	September 2016	10/5/16	Excise Tax	Check Total
					\$27,835.13
				Total All Batches	\$458,666.91

I hereby certify that the goods and services charged on the vouchers listed below have been furnished to the best of my knowledge. I further certify that the claims below to be valid and correct.

City Treasurer

WE, the undersigned council members of the City of Snohomish, Washington, do hereby certify that the claim warrants #59544 through #59622 in the total of \$458,666.91 through October 12, 2016 are approved for payment on October 18, 2016.

Mayor

Councilmember

Councilmember

Councilmember

CONSENT ITEM 9a

Schedule of Checks for the Checks Issued Since the September 20, 2016 Meeting

<i>Name</i>	<i>Check #</i>	<i>Invoice #</i>	<i>Check Date</i>	<i>Description</i>	<i>Amount</i>
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CONSENT ITEM 9b

Date: October 18, 2016
To: City Council
From: Max Selin, Senior Utilities Engineer
Subject: Wastewater Treatment Plant Automatic Transfer Switch Project – Closeout

The purpose of this agenda item is to authorize project closeout of the Wastewater Treatment Plant (WWTP) Automatic Transfer Switch (ATS) project.

BACKGROUND:

The two existing ATSs at the emergency motor control centers (EMCCs) for the WWTP that are connected to backup power were not switching properly when the backup generator was routinely exercised. These switches were old, failing and needed to be replaced. This project replaced the two failing ATSs with two new ATSs.

BID OPENING:

Bids were solicited through the public bid process and a bid opening was conducted on Monday, April 4, 2016. Three bids were received and after review of the certified bid tabulation, it was determined that Equity Builders, LLC, of Bellingham, WA was the successful low bidder.

PROJECT FUNDING:

This capital improvement project was identified in the 2016 Budget under the Sewer Utility WWTP Facilities Improvements with a budget total of \$500,000 for wastewater treatment.

CONSTRUCTION COSTS

Project Construction Costs	
Council Approved Construction Contract	\$ 84,000.00
Total Construction Cost Paid	\$ 70,696.80
Approved Construction Contract Budget Remaining	\$ 13,303.20

COST SAVINGS NOTE:

City Engineering Staff completed general specification writing in-house and along with the WWTP staff performed contract administration, construction management, and project inspection for this project. Utilizing City engineering staff and the WWTP staff in lieu of outside consultants resulted in a significant cost savings to the City thereby allowing more construction work to be completed.

STRATEGIC PLAN REFERENCE: Initiative #5: Become more environmentally sustainable

CONSENT ITEM 9b

RECOMMENDATION: That the City Council **ACCEPT** the contract for construction of the WWTP ATS Project Closeout with a total construction cost of \$70,696.80.

ATTACHMENT: None

CONSENT ITEM 9c

Date: October 18, 2016
To: City Council
From: Debbie Emge, Economic Development Manager
Subject: **2017 Lodging Tax Grant Funding**

On August 4, 1998, the City Council adopted Ordinance 1876, which authorized the formation of the Lodging Tax Advisory Committee (LTAC). This ordinance was required due to a change in the state law requiring the formation of an LTAC to expend Hotel/Motel Tax revenues. State law requires the LTAC to be comprised of an equal number of representatives from payers of the tax (hotels/motels) and users of the tax, with a City Councilmember as Chair. The current committee members are Councilmember Zach Wilde, Alina Williams, Larry Countryman, Fredrick Gibbs, and Chris Gee.

The LTAC is charged with the review and recommendation to the City Council of changes and expenditures associated with Lodging Tax revenues. Expenditures of the Lodging Tax are limited to tourism promotion which means activities, operations, and expenditures designed to increase tourism, including but not limited to advertising, publicizing, or otherwise distributing information for the purpose of attracting and welcoming tourists; developing strategies to expand tourism; operating tourism promotion agencies; and funding the marketing of, or the operation of, special events and festivals designed to attract tourists.

The attached table is an outline of the two applications from agencies that the LTAC reviewed and used to form their recommendation. The total amount requested by applicants was \$8,800. The total available funding was \$9,200. The committee is recommending increasing the requested amounts for the two applicants to utilize the available funds.

The LTAC has recommended projects totaling \$9,200.

STRATEGIC PLAN REFERENCE: Initiative #7: Strengthen the City's attractiveness as a regional destination

RECOMMENDATION: That the City Council **APPROVE** the Lodging Tax Advisory Committee's Grant Funding Recommendations for 2017.

ATTACHMENT: Overview of Applications

CONSENT ITEM 9b**Lodging Tax Advisory Committee
2016 Funding Applications**

Total Amount Available: \$ 9,200
Total of All Requests: \$ 8,800
Total of All Requests Recommended: \$ 9,200

Applicant	Project Description	Total Project Cost	Total \$ Provided by Applicant	Total Funds Requested	Funding Recommended by LTAC	Vote
Historic Downtown Snohomish						
	TV advertising campaign - 6 wks	35,500	26,000	3,500	\$ 3,700	4-0
Snohomish Wedding Guild						
	TV advertising for Tour	21,125	17,125	4,000	\$ 4,200	4-0
Visitor Information Center Dues		\$ 1,300		\$ 1,300	\$ 1,300	4-0
Total		\$ 57,925	\$ 43,125	\$ 8,800	\$ 9,200	